

Sam G. Reid, Oglesby.  
Robert E. Slocum, Pharr.  
Thomas B. White, Rogers.  
Merriada E. Ware, Seagraves.  
Royce E. Dowdy, Trent.  
John F. Warrington, Valley Mills.

## WEST VIRGINIA

John O. Stone, Davy.

## WISCONSIN

Frank E. Shults, Baraboo.  
Elmer Carlson, Brantwood.  
Oliver R. Weinandy, Cochrane.  
William H. Goldthorpe, Cuba City.  
Eugene F. Stoddard, Downing.  
Samuel M. Hogenson, Ephraim.  
James C. Taylor, Gilman.  
Mae F. Harris, Goodman.  
James N. Godsell, Hales Corners.  
Simon Skroch, Independence.  
Charles Pearson, La Valle.  
Carrie B. Carter, Lyndon Station.  
Henry A. Elmer, Maribel.  
Edward Stackman, Ontario.  
Emmet W. Zimmerman, Phelps.  
Alvin E. Hafer, Roberts.  
Andrew Bock, Stockholm.  
Harry Bradley, Taylor.  
Edmund O. Johnson, Warrens.  
George E. Bogrand, Wausaukee.  
Hartvig J. Elstad, Whitehall.  
Winfield J. Kyes, White Lake.  
George E. King, Winneconne.  
Thomas E. Noyes, Winter.

## NOMINATION RECALLED

*Executive nomination returned to the Senate May 2 (legislative day of April 30), 1930*

## POSTMASTER

In compliance with the request of the Senate of April 30, 1930, the President returned the resolution of the Senate of April 28, 1930, advising and consenting to the appointment of W. Bateman Cullen to be postmaster at Clayton, Del.

## HOUSE OF REPRESENTATIVES

FRIDAY, May 2, 1930

The House met at 11 o'clock a. m., pursuant to adjournment. The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, each day and in many circumstances we need that covert against which the storms beat in vain. May we realize, in some little way, that Thou dost rise above thrones, principalities, and powers. Do Thou more and more invigorate the purposes of our souls. Add sincerity to earnestness and earnestness to endeavor. O give us strength in all that is good, aversion to whatever is evil, and power to resist all the approaches of sin. O remember every heart, and be unto all like music floating softly among the hills, like a sweet fragrance wafted among the highlands, and like a soft shaft of light breaking through the clouds above us. When the day is over and we are alone with our thoughts, as we look back with a steady gaze, may we feel that it was worth while. In the name of Jesus we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had agreed to the amendment of the House to the bill (S. 3249) entitled "An act to repeal section 4579 and amend section 4578 of the Revised Statutes of the United States respecting compensation for vessels for transporting seamen."

## FEDERAL POWER COMMISSION

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an article of my own appearing in Public Utilities Fortnightly.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The article is as follows:

## THE PROPOSED REVAMPING OF THE FEDERAL POWER COMMISSION

(Everybody seems to agree that something ought to be done about the Federal Power Commission. While the Senate Commerce Committee occupies the public prints with its consideration of a bill by Senator COUZENS, of Michigan, to reorganize the commission, perhaps too little has been said or heard of a bill that was introduced in the House of Representatives far back in January to create a full-time commission with a competent personnel by Representative CELLER, of New York. This measure is very similar to the Couzens bill and will have practically the same effect, if enacted. In this article Representative CELLER tells what he thinks is the matter with the present Federal Power Commission, and what he proposes to do about it.)

By EMANUEL CELLER, Representative from New York, United States Congress

Criticism is being leveled at the prevalent practice of creating commissions.

The President criticizes the number of commissions appointed by Congress, and prominent Members of the Senate have in turn made disparaging remarks about the number of so-called "Hoover commissions."

Meanwhile both branches of our Government go on grinding out commissions. Scarcely a day passes that we do not learn that a new commission has been created to look into this or to look after that.

Why this multiplicity of commissions? Is there a trend in the modern practice of Government toward commission regulation to supplement the inadequacy of the three constitutional branches to look after public affairs?

The answer to this question may be found in the honest recognition of the single factor that there are some problems of their very nature so technical that neither the courts nor the legislatures are competent to handle them—problems such as utility rate making—that require specialized knowledge by trained experts.

It is because both courts and legislatures have singularly failed in their attempts to regulate and adjust technical matters that we have to-day realized the need for these tribunals of trained experts.

It was over 20 years ago when Dean Pound, the juristic oracle of Harvard, viewed with alarm the advance of commission regulation. He said:

"Executive justice is an evil. It always has been and it always will be crude and as variable as the personalities of officials. \* \* \* Nothing but rule and principle, steadfastly adhered to, can stand between the citizen and official incompetence, caprice, or corruption. Time has always imposed a legal yoke upon executive justice and incorporated its results into law. The only way to check the onward march of executive justice is to improve the output of judicial justice until the adjustment of human relations by our courts is brought into thorough accord with the moral sense of the public at large."

But in these 20 years commissions have sprung up everywhere. To-day we have public-utility commissions, power commissions, tariff commissions, workmen's compensation commissions, and a hundred other fact-finding bodies to attend to those details of government which are beyond the ken of the average jurist or legislator.

My bill in Congress introduced on January 25, 1930, has to do with the Federal Power Commission. It does not create any new commission. It merely seeks to change the character of the Federal Power Commission. This body was created by Congress in the Federal water power act of June 10, 1920; its alleged purpose was to safeguard the national water-power resources of the American people in their navigable streams. The original bill provided for the creation of the Federal Power Commission. This seemed a logical step to take in view of the technical character of the subject matter involved.

But the fault I find and the fault which I am attempting to remedy in my proposed bill is that the power commission is now composed of the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of War. My principal contention is that these Cabinet officers, already overburdened with the arduous and restricting duties of their own offices, are not able to give the proper time and attention to the important work of the Federal Power Commission.

We have seen that the original idea of commission regulation was to delegate quasi-judicial powers to trained fact-finding tribunals with sufficient time and knowledge to exercise them. Congress recognized in the 1920 act its own inability to cope with the constantly increasing amount of controversies arising over the exploiting of Federally owned power sites. Congress sits only a few months a year. During that time it has plenty to do and usually goes home without doing half of it.

What this field of regulation needed was an independent, full-time commission of trained men, and Congress, instead, pushed it over on three overworked Cabinet officers, who had neither time nor special training to look after it properly.

What has been the result?

Under the present inadequate provisions of the Federal water power act there have crept in grave abuses. Time and again the Federal Power Commission has (unwittingly, I hope) played Esau to the power corporation's Jacob and bartered away the water-power birthright of

the American people for messes of regulatory pottage. The weaknesses in the structure of the act make it possible for the larger companies to impose handicaps upon a commission already hamstrung by its own limitations. The intention of Congress as enacted in the 1920 law has been evaded and perverted by the juggled accounts by these same companies before a commission that is inadequately manned and unable to check up on the deficiencies.

To show that I am not merely indulging in glittering generalities, here are a few specific examples of what I think have been miscarriages of administrative justice by the Esau-Jacob combination:

The bulk of the work of the Power Commission is really carried on by the subordinate officers. The harassed commissioners, themselves Cabinet officers, have little time to do more than to consider the general recommendations of these commission employees. This actually throws more responsibility upon the shoulders of these subordinates than Congress ever intended that they should assume. In addition to this, the commission does not have an adequate accounting system to prevent the padding of capital accounts of the larger companies. Such a system is needed to check up on excessive claims for operating expenses and land values.

Now, the 1920 act provides that rates much be based on actual investment. Instead, through these loopholes which I have mentioned, companies are in a position to base rates on inflated values and overcapitalization of hoped-for earnings.

Let us consider the Clarion River Power Co., for example, created for the purpose of developing the Pennsylvania power site of that name.

The commission figured that not less than \$4,000,000, and possibly much more, of the alleged book cost of the project is inflated; it contends that in excess of \$6,000,000 of purported "costs" have no further evidentiary basis than the figures in the company's books.

The company asserts that its total claim of \$11,031,816.57 is legitimate—but it refuses to allow the commission's accountants access to its records. As a result of this attitude on the part of the company, the case has never been settled and at this writing it still hangs fire while the commission's solicitor, Charles A. Russell, limited by law, restricted by appropriations, and inadequately advised and directed by his superiors, is attempting to prosecute in some way what he deems to be the company's lack of compliance with the law.

Going further northward we find the Niagara Falls Power Co., in which J. P. Morgan & Co. is so heavily interested, claiming a "fair value" of \$77,000,000. According to the commission's report, this company's actual investment did not amount to more than \$20,500,000.

Coming nearer to Washington we find the Conowingo hydrodevelopment on the Susquehanna River in Maryland. Out of a total prelicense cost of \$7,246,832.07 claimed by the participating companies a joint auditing committee, appointed by the Federal, Maryland, and Pennsylvania Commissions, disallowed \$3,443,708.35 and was very doubtful about \$712,870.58 more.

A typical example of what I think are at least questionable claims by one of these companies was a charge made by Drexel & Co., of Philadelphia, Pa., of a \$1,170,000 fee (or 42½ per cent) for transferring stock of the Susquehanna Power Co., amounting to \$2,741,500, to the Philadelphia Electric Co. The Conowingo Co., I am told, also imitated the Clarion River Co., already mentioned, in placing obstacles in the way of the commission's accountants, so that the prelicense cost of the Conowingo project has never been established.

Drew Pearson, the Washington correspondent of the Baltimore Sun, called attention to the case of the Lexington Water Co., at Saluda, S. C. The commission's accountants found that a fee of \$700,000 was paid to the W. S. Barstow Association for engineering work. The Barstow Association, however, is the holding company for the Lexington Water Power Co., and the accountants' report says the association is to be reimbursed for any amounts actually expended by it in connection with the work. In other words, the fee of \$700,000 is chiefly for the services of the executive officers.

Many other cases of alleged overvaluation could be mentioned. There is an evident necessity for putting more teeth into the Federal water power act. This can only be done by giving some independence to the commission, and by giving the commission power to appoint a suitable and adequate accountancy force.

What the Federal Power Commission needs first of all is three full-time competent commissioners. The present members are out-and-out figureheads. With all due respect to them, Congress might just as well have put the King of England, Mussolini, and Albert Einstein on the commission as far as any spontaneous, decisive action originating with the commissioners is concerned. Nor is this statement made to cast any reflection on the ability or integrity of the respective Secretaries of War, Interior, and Agriculture; I am simply making the point that these officials have more than they can do in their own departments. Piling more work on them solves problems no better than if Congress tried to solve them itself in the first instance.

My bill provides for the appointment by the President for a period of seven years of three commissioners, two getting salaries of \$10,000 a year and the chairman receiving \$12,500.

Next, the commission plainly needs a strong and trained accounting force to prevent the padding of capital accounts, already mentioned. My bill provides that there shall be set up by the commissioners an expert accountancy service to conduct the necessary audits of the books of the licensees of projects under the jurisdiction of the commission.

It also provides that the commission shall have the right to hire the necessary technical and clerical personnel, so as to fulfill and carry out the purposes of the Federal water power act and to safeguard the rights of the public in the granting of licenses.

Last, but not least of the crying needs of the present commission, is an adequate legal department.

Due to the inactivity of the commissioners themselves, a lion's share of the work has in the past fallen on shoulders of the former commission's counsel, Maj. C. W. Call, and the present solicitor, Mr. Charles A. Russell. Both of these officials have, no doubt, worked long and faithfully to combat the ever-increasing resistance of the power companies. But fighting the power companies under the present set-up is like attempting to kill a tiger with a penknife.

Much important litigation now pending may be decided upon the ability of the legal counsel for both sides to assemble and present facts in proper order.

For instance, despite the fact that the present act provides for punishment for false statements of valuation of property for rate-making purposes, nevertheless, I know of no case where the penalties prescribed in the act have been invoked. There is even provision in the present act for injunction and other penalties for noncompliance with the terms of the act; yet these penalties have never been invoked. This is solely due to the fact that great pressure is brought to bear on the Secretaries of the Interior, Agriculture, and War to prevent them from doing their duty as water-power commissioners; a type of pressure made all the more potent because of the arduous duties that these men have in presiding over their own departments. They must of necessity leave their work as commissioners to be done by others. Their actual personal supervision over water-power sites, dams, and reservoirs becomes practically nil.

To give special relief to the legal department I am going to amend my bill to provide:

That the commission may employ such attorneys as it finds necessary for proper legal aid and services of the commission or its members in the conduct of its work or for proper representation of the public interest in investigations made by it on cases or proceedings pending before it, whether at the commission's own instance or upon complaint, or to appear for and represent the commission in any case in the courts, and the expense of such employment shall be paid out of the appropriation for the commission.

I think this measure is entitled to the support of all those who believe in real scientific commission regulation. I feel that the present criticism of commissions is in part due to defects in the formation of these commissions, and that the present Federal Power Commission is an outstanding example of a commission deficiently formed.

If commissions were so constructed as to bear out the fundamental theory of their existence—to wit, fact-finding tribunals of trained experts—there would be no need for commissions to investigate other commissions; furthermore, I believe that under such conditions there would be fewer nominal commissions, more real commissions, and less criticism of commissions.

#### THE TARIFF

The SPEAKER. The unfinished business is the consideration of the tariff bill. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 364. Page 119, insert a new paragraph, as follows: "PAR. 394. (a) Silver-bearing ores and mattes of all kinds, 30 cents per ounce on the silver contained therein: *Provided*, That on all importations of silver-bearing ores and mattes of all kinds the duties shall be estimated at the port of entry and a bond given in double the amount of such estimated duties for the transportation of the ores or mattes by common carriers bonded for the transportation of appraised or unappraised merchandise to properly equipped sampling or smelting establishments, whether designated as bonded warehouses or otherwise. On the arrival of the ores or mattes at such establishments they shall be sampled according to commercial methods under the supervision of Government officers, who shall be stationed at such establishments, and who shall submit the samples thus obtained to a Government assayer, designated by the Secretary of the Treasury, who shall make a proper assay of the sample and report the result to the proper customs officers, and the import entries shall be liquidated thereon. And the Secretary of the Treasury is authorized to make all necessary regulations to enforce the provisions of this subparagraph.

"(b) Silver bullion or base bullion, silver dross, reclaimed silver, scrap silver, all alloys or combinations containing more than 5 ounces of silver per ton, not specially provided for, 30 cents per ounce on the silver



contained therein: *Provided*, That this subparagraph shall not apply to minted coins of the United States, or circulating minted coins of a foreign government in the possession of an individual not in excess of \$100 in exchange value.

"(c) Silver-bearing ores, mattes, base bullion, silver dross, reclaimed silver, scrap silver, and all alloys or combinations of silver imported into the United States for the purpose of processing, refining, or minting for export to a foreign country and not for use, sale, or disposition within the United States or any of its possessions, may be imported for such purpose free of duty upon the execution of a bond given in double the amount of the estimated duties that would be charged upon such silver contents so imported if for use, sale, or disposition in the United States, conditioned that such silver contents will not be used, sold, or otherwise disposed of in the United States prior to export therefrom, and upon further compliance with such regulations and guaranties as the Secretary of the Treasury may by regulations require."

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent that amendments Nos. 364, 885, 903, 904, 1004, and 1006, all relating to silver, be considered at the same time for both debate and vote.

The SPEAKER. Is there objection?

Mr. COLLIER. Mr. Speaker, reserving the right to object, which I do not intend to do, how is the time on this to be allotted?

Mr. HAWLEY. Thirty minutes will be yielded to the gentleman from Mississippi, and 30 minutes will be used on this side.

Mr. COLLIER. I have promised half of my time to gentlemen on the other side. I have been very liberal to them because I think those gentlemen represent views with which I am not in sympathy. I understand the chairman of the committee is not in sympathy with the Senate amendments, and I am in hearty sympathy with the chairman on that and shall vote with him.

Mr. HAWLEY. I shall divide the time on this side equally between those for and against the amendments.

The SPEAKER. The gentleman from Oregon asks unanimous consent that all the amendments relating to the subject of silver be considered together for the purposes of debate and for the purpose of vote. Is there objection?

There was no objection.

The other amendments are as follows:

Amendment No. 885, page 265, line 9, strike out the words "or silver."

Amendment No. 903, page 268, line 6, strike out the word "silver."

Amendment No. 904, page 268, line 7, strike out the period, insert a semicolon, and the words "silver coins dutiable under subparagraph (b) of paragraph 394."

Amendment No. 1004, page 279, line 16, strike out the comma and the word "silver."

Amendment No. 1006, page 279, line 18, strike out the words "and silver."

Mr. HAWLEY. Mr. Speaker, I move that the House further insist upon its disagreement to these Senate amendments.

Mr. ARENTZ. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The SPEAKER. The gentleman from Oregon moves that the House further insist upon its disagreement to the Senate amendments, and the gentleman from Nevada moves that the House recede and concur in the Senate amendments. Both motions will be considered as pending.

Mr. HAWLEY. Mr. Speaker, the Senate proposes to impose a duty of 30 cents a troy ounce on silver imported into this country. The majority members of the House conferees, and I understand one of the minority members, oppose the amendment as not practicable. Briefly I shall state the reasons. We import into the United States, on a 5-year average, 107,000,000 ounces of silver yearly, chiefly from Mexico, coming in to be smelted and refined and part of it to be coined, but it will all be exported. We produce in this country, of new silver, some 4,000,000 ounces.

We get from scrap and recovered silver over 9,700,000 ounces more, making a total annual production on 5-year averages of about 74,000,000 ounces. We export 34,000,000 ounces of our own production. Consequently we leave in this country for use in the art and sciences and for coinage approximately 40,000,000 ounces of silver. We export 141,000,000 ounces. If this duty is imposed, under the drawback system it will be brought into this country, smelted, refined, and exported, retaining in the Treasury only 1 per cent of the duty. Consequently the silver will continue to come in and be smelted and be exported. It has been argued in behalf of the duty that if this duty be imposed and enforced the smelters of this country would not be employed in smelting this imported silver, and, therefore, there would be more opportunity for smelting our own ore; but that is not a tariff problem. Under the situation, not discussing at

this time the economic factors further than I have, your conferees can not find in this a justification for the imposition of a duty of 30 cents per ounce on imported silver.

I reserve the balance of my time and yield four minutes to the gentleman from Utah [Mr. COLTON].

Mr. COLTON. Mr. Speaker, mining is one of the basic industries of this country. It has contributed and is now contributing very greatly to the material prosperity of our country. Mining as an industry is languishing, particularly silver mining. If there is anything the Government can do to help this great industry it should not hesitate to do it.

Personally I want to be perfectly frank in saying that the levying of a duty on silver of 30 cents an ounce is perhaps more or less of an experiment. But this country is committed to the principle of a protective tariff. It must be considered as a policy, and therefore if an industry is languishing and if it has met and is meeting with keen and detrimental competition from other countries, this country is justified in adopting the policy of protection for that industry. That is the exact situation with reference to silver. We have not hesitated to place other commodities on a protective basis, even though we are producing an exportable surplus.

In addition to the general mining industry being in a languishing condition at the present time, silver especially is faced with a serious problem. Great Britain is forcing India to a gold-standard basis. Silver has been the accepted coin and medium of exchange in India since the dawn of civilization. But now Great Britain is forcing a situation over there which not only demonetizes silver but which forces it from that country. It is destroying silver and dumping it upon our market. Whenever a rupee or any other silver coin finds its way into a bank in India it is melted and sent out of the country, so that the policy of dumping foreign silver upon our market has created an acute situation which this country must face. The problem is before us for solution. Something must be done.

In 1928, 55,000,000 ounces of silver were dumped on the markets of the world in this way by the British Government. Silver is being taken out of circulation in India. It has been argued that if a tariff rate is placed upon silver it will increase the price to the consumer. It is said the manufacturer will have to pay more, and consequently will pass it on to the consumer. Let us discuss the facts for a moment in connection with this statement. In 1922 we placed a duty of 60 per cent ad valorem upon manufactured silver articles coming into this country. This bill imposes a duty of 65 per cent ad valorem on manufactured silver articles. This means an increase of 5.

In 1922 silver was worth about 75 cents an ounce. Now it is worth about 42 cents. If the tariff is 100 per cent effective, the cost of silver to the manufacturer would be less than in 1922. During this period of decline has the price of manufactured articles had a corresponding decline? We all know it has not.

The SPEAKER. The time of the gentleman from Utah has expired.

Mr. COLLIER. Mr. Speaker, I yield one minute to the gentleman.

The SPEAKER. The gentleman has not the power to grant time. The time is in the control of the gentleman from Oregon [Mr. HAWLEY].

Mr. HAWLEY. I stated yesterday, I think, that I would divide the time. I yield 30 minutes to the gentleman from Mississippi.

Mr. COLLIER. I thought the gentleman got time from that side, and the same here. I wanted to yield one minute to the gentleman from Utah.

Mr. COLTON. Thank you; I appreciate it. With an increased protection for the producer there would be none of the extra cost passed on to the purchaser. Besides, you will realize that the difference between the cost of production in this country and abroad is very great.

Where the miners of the southern republics are receiving from \$1.21 to \$1.60 per day in the mines, our men are receiving from \$4.50 to \$5 a day for the same labor. In fact, the mining industry has always paid its labor good wages. It is one of the best wage-paying industries in the country. [Applause.] With the difference between the cost of production here and in other countries, we can not keep up the high wage scale in the mining industry unless we receive help from some source. We therefore appeal to-day for an adequate tariff for this great industry.

Mr. COLLIER. Mr. Speaker, I yield four minutes to the gentleman from Idaho [Mr. FRENCH].

The SPEAKER. The gentleman from Idaho is recognized for four minutes.

Mr. FRENCH. Mr. Speaker and Members of the House, in four minutes it is possible merely to sketch the justification for

the Senate amendment placing a duty of 30 cents per ounce on the silver contained in silver-bearing ores and mattes imported into the United States from foreign countries.

The justification of a protective tariff is that the producers within our country may be safeguarded against cheap labor and cheap conditions of production in foreign countries. This is true whether a tariff be imposed upon an article wherein we produce less than we consume or upon an article wherein we produce more than we consume and as to which the tariff serves the purpose of stabilizing the market to some extent and serving as an automatic safeguard in event production within the United States shall drop below the line of consumption.

The total amount of silver, measured in ounces, produced in the world runs from 242,000,000 ounces in 1925 to about 260,000,000 ounces in 1929.

Of this amount the United States, during the last five years, has produced approximately fifty-eight to fifty-nine million ounces. Mexico has produced during that same time from ninety-three to one hundred million ounces per year; Canada from twenty to twenty-three millions; Peru, an average of 21,000,000 ounces annually.

The United States during that period has imported from one hundred to one hundred and twenty million ounces annually, with a value of approximately \$59,000,000.

Mr. BARBOUR. Mr. Speaker, will the gentleman yield there?

Mr. FRENCH. Yes.

Mr. BARBOUR. There is no question about our ability to fill our own requirements?

Mr. FRENCH. No. But we are asked to compete with a wage scale that in the country from which we import most of our silver is about one-fourth of the wage scale for the United States. Last night's papers carried a dispatch from Arizona to the effect that the wages of metalliferous miners had been reduced to \$4.84 per day from a slightly higher rate.

Mr. CLARKE of New York. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. CLARKE of New York. Was not that reduction due to a reduction in the price of copper?

Mr. FRENCH. Yes, immediately; but silver in most places in the United States is produced in mines where lead and copper are produced.

Mr. CLARKE of New York. In other words, it is a by-product?

Mr. FRENCH. Yes; it is produced largely in the operation of mines where the greatest values are in lead and copper.

The labor reports indicate that, generally speaking, in the United States miners engaged in metalliferous mining are paid not far from the figure that I have recited.

Turn to Mexico, the wages paid are from 71 cents to \$1.21 per day and the hours of labor are as much as 10.

The bare recital of the facts is the greatest argument that can be made in support of an adequate duty upon silver imported into the United States from foreign countries where cheap labor prevails and where the scale of living is far below the standards of living of our American workmen.

I am for the amendment.

Mr. BURTNESS. Will the gentleman yield?

Mr. FRENCH. I yield.

Mr. BURTNESS. Has our production been increasing or decreasing in recent years?

Mr. FRENCH. For the last five years it has remained approximately the same. I have the figures. In 1925 we produced 61,000,000 ounces. In 1929 we produced 60,000,000 ounces, approximately the same. [Applause.]

The SPEAKER. The time of the gentleman from Idaho has expired.

Mr. COLLIER. Mr. Speaker, I yield five minutes to the gentleman from Nebraska [Mr. MOREHEAD].

Mr. MOREHEAD. Mr. Speaker and Members of the House, a tariff bill always reminds me of the good merchant who discovered a transient donning one of his coats without settling for it and trying to escape. The merchant followed him to the door, crying, "Stop thief." When he got outside the policeman was ready to use his .44 Colt on him, and the merchant said to the policeman, "Shoot him in the pants, the coat is mine."

Small industry placed in a State and only affecting a local community has changed the votes of the entire delegation of the State on tariff schedules that are detrimental to a large per cent of the people of the United States. This is what I call politics and logrolling.

In the few minutes allotted to me I can make but a few remarks. Political parties writing tariff bills, their principal argument is to protect the American standards of living of the laborers. In my own estimation at least, I am second to none in support of legislation that will be of benefit to the aver-

age American citizen. Most of the contentions have at least some merit, if not some justification.

One schedule which the Senate sent to conference pertained to the importation of carillon bells which are not manufactured in the United States. The Senate recommended them duty free to all religious organizations—no religious organization excepted. Its benefits would affect every section of the United States without encroachment upon any selfish or private interests, and as I have been reliably informed, was favorably accepted as the Senate had reported it by three-fourths of the conference committee and yet they allowed one member to have his way in preventing the importation of duty free.

These chimes are a great addition to our present state of civilization and will become more and more in demand and I can see no good reason that can be advanced for a high duty to be placed on this particular commodity and thereby deprive many religious organizations from acquiring something so beneficial to all the people in every section of the country.

Mr. Speaker, I ask unanimous consent to insert some correspondence and a resolution from one of my home churches that makes an appeal to me that is well justified as far as the matter of these chimes being brought into this country is concerned.

The SPEAKER. The gentleman from Nebraska [Mr. MOREHEAD] asks unanimous consent to extend his remarks by printing the letter and resolution. Is there objection?

There was no objection.

The letter and resolution are as follows:

FIRST PLYMOUTH CONGREGATIONAL CHURCH,  
Lincoln, Nebr., April 29, 1930.

MY DEAR FRIEND: The First Plymouth Congregational Church of Lincoln, Nebr., is seeking to buy a carillon of 35 bells from England and to import it free from tariff duty.

The United States Senate unanimously passed bill S. 1777 exempting all churches and educational carillons from paying that tariff duty. We feel that was just.

The House of Representatives, however, in its tariff bill, proposes a duty of 20 per cent. That bill is now in conference where the issue will be settled whether the churches and educational institutions are to pay 20 per cent duty or receive their carillons duty free.

We ask you to support the plea of the church for free carillons. The carillon is distinctly and peculiarly a religious instrument. It has always hung in the towers of cathedrals and churches for centuries. It is not a commercial instrument in any sense. Whenever these bells play their music is for the entire community. It is a community service to all men. Why should the church, in this, its work for society, be so heavily taxed?

Special legislative exemptions have been granted individual churches with enough influence to secure relief. But we ask you to pass legislation that embraces all creeds, all religions, all alike.

Sincerely,

REV. BEN F. WYLAND.

APRIL 26, 1930.

Be it resolved by the State Conference of the Congregational Churches of Nebraska, now in session at Lincoln, Nebr., That the action of the Senate conferees in receding from the exemption of church and educational carillons from tariff duty is uncalled for.

Furthermore, the exemption from tariff duty of four church carillons by the United States Senate was a favoritism only recently rectified by the adoption of an amendment exempting all churches and educational carillons.

We, therefore, protest the return of the United States conferees from a position that gave relief to all churches to that inexcusable position of exemption held by a favorite few; be it also

Resolved, That we likewise seek the assistance of Nebraska Senators and Representatives in righting this wrong.

Rev. CHARLES R. LICITE, Moderator.

Mr. HAWLEY. Mr. Speaker, I yield three minutes to the gentleman from Virginia [Mr. LANKFORD].

Mr. LANKFORD of Virginia. Mr. Speaker, before voting on this measure I hope each Member of the House will give this matter his most careful consideration.

The silver mines and miners of our country are in a most deplorable condition. Metal that for all time has been considered a precious metal is now so cheap that it is simply a commodity like copper, brass, or wheat, and, strange as it may seem, is so plentiful and cheap on account of large foreign importations that we can not operate our mines paying the United States scale of wages with a profit.

The following statistics are most significant:

The United States production of silver has decreased 10 per cent in the last 10 years, although our supply is abundant.

The price of silver in the United States has fallen from 61 cents per ounce in 1913 to 40 cents to-day, and every indication



is that it will go still lower. The situation has changed very rapidly for the worse in the last year, due to the fact that Great Britain has demonetized silver in India and she is melting up all silver coins and dumping it on the market in great quantities—55,000,000 ounces last year. She has also imposed a 10 per cent duty to keep it from coming back. China is in a desperate condition on account of the fall in value and is asking the powers to allow her to place an embargo on it. We are the great silver market. It will be years before another tariff bill will be written, and our mines will be closed in all probability before we can help them.

Many of our silver mines have been closed within the last six months.

The United States scale of wages is 4.79. Mexico sends us the greatest supply, and the average wage scale there is 1.21.

Farm commodities have increased, since 1913, in value 35½ per cent. Silver has dropped in that time 33½ per cent.

I am not impressed with the objection of the silver manufacturers to this 30 cents per ounce protection, when they receive 65 per cent protection ad valorem.

We produce 58,000,000 ounces. We import 114,000,000. It is now a commodity. The tariff of 30 cents is sound and logical, both from a revenue measure, and absolutely necessary from a protection standpoint, if we are to save the thousands of silver miners from disaster. [Applause.]

Mr. HAWLEY. Mr. Speaker, I yield five minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Speaker, the chairman of the Committee on Ways and Means has sounded the true note in the proposal for a 30-cent duty on silver when he says it should be rejected because it has no place in a tariff bill.

Tariff duties are imposed and justified when they prevent foreign goods being dumped into this country to the demoralization of home industries. There is no such issue here. There is no silver ore being imported into this country for home consumption. The ore which figures in our imports comes to the smelters from Canada and Mexico and is immediately reshipped out of the country. That would continue even if the duty went into effect, and under the drawback clause it would yield the Government little revenue, as only a nominal charge is made where the ore comes in under bond and can be identified when reshipped.

The bogey of silver imports from India has been raised. There is nothing to justify any such contention.

Go back as far as 1924 and the records of the Department of Commerce will not show any Indian imports. But the records will show that in that period we have exported 320,500,000 ounces to India. India imported in 1928, 89,000,000 ounces, and 81,000,000 last year, and it is still importing silver. If no silver ore is being imported into the country and we are exporting two-thirds of all the ore taken out of the earth in the United States, why a duty? That is a question which every disinterested person might well ask and the answer is plain as the noonday sun.

Mr. STAFFORD. Will the gentleman yield for a brief question?

Mr. MARTIN. Yes.

Mr. STAFFORD. I understand silver is a by-product of the copper mines. That being true, will not this increased price inure to the benefit of the large copper interests?

Mr. MARTIN. The gentleman is correct. Silver is a by-product of copper and that is the reason why there is constantly an overproduction in silver.

Those who are back of this tax on the American public are really attempting a vicious effort at price-fixing. And they want the American Congress to be a party to this raid upon the American people. They propose to dump two-thirds of the silver ore produced in this country abroad, and then through manipulation of the balance, lift the price of ore in America to 70 cents an ounce. In only this way can the duty be made effective.

If the Member of another branch of Congress who launched this raid upon the American people was really anxious to help his silver miners, I wonder why he did not provide compensatory duties for the great silverware industry, which is a valuable customer of the American miners. That has been the policy of tariff legislation not only in this bill but in every other bill, to give the manufacturer a compensatory duty where a levy has been made upon his raw material. In no other way could we have proper protection.

As a result of the oversight on the part of the Senator who proposed this duty, he really is adopting a policy which would give his own miners less work instead of more employment.

If the silverware industry is not given proper protection, and it will not be if this duty is established, the American markets will be turned over to the silversmiths of England, Germany, and Belgium.

Does the Senator or anyone else believe for a moment the silver ore would be bought from an American mine? The idea is too ridiculous for consideration for a moment.

Furthermore, if a high artificial price is created, it will be the means of compelling people to buy more goods of silver plate or substituting pewter, which would mean a lessened demand for silver.

The value of this industry, with its skilled workmen, to the country can not be underestimated, particularly as a part of any plan for industrial preparedness in event of war. When the World War broke out these great plants were readily converted to the manufacture of necessary ordnance. They became beehives of industry in turning out articles needed to prosecute the war. I may well ask why they should now be unfairly treated.

The Senator who inspires this proposed duty says he doubted whether it would do his miners any good. I am sure it would not.

In fact, I am sure he would be doing a real harm to the men he wishes to help. And I know it would be inflicting an unnecessary burden upon a great industry which extends into a dozen of the larger States of the Union.

The silver market is suffering from overproduction, like many other industries in the country. The only way to help the industry is to find some way to increase consumption. The proposal before us would be a step in the other direction and would merely add greater confusion.

With these facts before us, I trust the House will refuse to become a party to this uneconomic and price-fixing raid upon the American public and will reject the proposed duty, which, as Chairman HAWLEY has aptly stated, has no place in a tariff bill.

As an injustice to thousands of men and women engaged in the manufacture of silverware products, I register a protest against this duty without compensatory rates to protect the American workmen from a lower foreign wage scale. I protest the duty in behalf of thousands of retail jewelers, whose business will be affected; I protest it in the name of the silver miners, who I would save from the folly of their friends; I protest it in behalf of the moving-picture industry, which would be assessed several million dollars; and finally I protest the duty in the name of the American public, which will be called upon to pay unnecessarily millions of dollars in tribute to political buncombe.

Mr. COLLIER. Mr. Speaker, I yield six minutes to the gentleman from Colorado [Mr. EATON].

Mr. EATON of Colorado. Mr. Speaker and gentlemen of the House, to make a case for silver in six minutes might be impossible, but I do not think so. I noticed that one man from Nebraska used his voice here to-day in mentioning silver, but the shades of Bryan are not here. I do not know why.

Now, what is it the mountains have done that you want to make a stepchild of silver? The gentleman from Massachusetts talks about a vicious attempt at price fixing. Of all the commodities covered by this tariff not one is the subject of such vicious price fixing as silver is to-day. Not one can have the benefit of the tariff as silver can have if that price fixing is interfered with, if only by a tariff.

The propaganda against a tariff on silver is all set forth in circulars, letters, a brief, and a copy of an editorial from the Engineering and Mining Journal of April 7, 1930, all sent to each Member of Congress by the Jewelers' Vigilance Committee. The editorial has been characterized in the Senate as having been published in a one-time reputable magazine which is now owned and published by a publishing company engaged in lobbying for special interests of this country and publishing 11 publications with various names, using the words "Electrical," "Power," "Railway," "Bus," "Radio," "Food," "Textile," and others. The brief appears to have been written by lawyers, and is submitted over the printed name of the chairman of the Jewelers' Vigilance Committee, who protest on behalf of manufacturers of silverware and other silver products.

No one complained until the last speaker spoke about the question of a compensatory duty for articles manufactured from silver. You all know that a change was made in this rate. Whether compensatory or not was not mentioned in any of the propaganda received up to this moment.

An answer to the eight arguments and conclusion of the brief will cover all points made in all of the propaganda submitted. Not one statement in the several subjects or conclusion is a logical conclusion from any authentic or proven facts. On the contrary, every one is based on inference, invention, and imagination.

Not one proposition submitted ought to be considered seriously by any person who has even an iota of belief in any kind of a tariff, whether it be for protection of an industry or merely for the purpose of raising revenue.

If there is any justification for a tariff on wheat, iron, or cotton, then there is even more justification for a tariff on silver. The production of each of these commodities has many parallel elements. In each there is an exportable surplus produced each year. In each, the producers find themselves this year in a worse financial position. In each the price is fixed by some foreign trader or group of traders, upon costs of production under working conditions and wage scales that are not tolerated in this country.

Some may say that a tariff upon wheat will make every loaf of bread cost more money; that a tariff upon cotton will make every piece of cotton cloth cost more; that a tariff upon silver will make every silver teapot cost more. But practically speaking, the individual cost is so small and the resulting benefit to the producer is so justifiable, that you stop figuring the fractions of a cent to the consumer and put on to wheat and cotton every penny the markets will stand, and then provide a further flexible provision so that the rates may be carried up or down as required by the world trade. Remember that this complaint is not by the consumers, but by the jewelers.

In one respect silver is more at the mercy of foreign manipulation of price than either wheat or cotton or iron.

Within the past month the Department of Commerce has completed its investigation of silver and has printed its monograph under the title of "The Price of Silver," and from that authoritative source you can confirm the statements I am about to make to you. The price of silver is fixed every day by four brokers in London, who meet every business day at 2 p. m. and compare their orders in hand for purchase and sale and alter the previous day's price enough to move the largest amount of silver necessitated by that day's demand and supply. The only interest these brokers have is the commission which each makes upon the transactions of the day. They are not concerned with the cost of production or transportation. They also do business in options or futures, basing the price on local stocks, market outlook, and similar factors. The commission upon each transaction is divided, one-half going to the broker for the seller and the other half going to the broker for the buyer. The entire commission is paid by the buyer, and the seller takes for his product whatever the commission man pays him.

The silver market is an absolute closed monopoly as it is now conducted, controlled by these four brokers in London.

Every day, after the London price is announced, an "official" price is stated or posted by just one firm in New York City, based upon this London price. This is late in the afternoon and covers the day's transactions. This "official" price is, in fact, but a basis for actual commercial transactions. These are made at a "market" price always higher than the "official" price, varying from three-sixteenths of a cent to 6 cents at different times. But the "official" price is the one used by the smelters as the settlement basis for payment for the silver content of ores to the producers.

This "official" price is lower than the London price on which it is based. The New York broker will tell you that this is due to the fact that the silver purchased from the producer is still in the ore and will not be available for delivery in refined form for some time. But it is frequently said by silver producers that this differential, which is not constant, is an arbitrary exercise of the monopolistic control of this New York broker, who names the price and sets his own profit day by day. True, they also charge, at times, that the smelters have something to do with the "official" price, but you will find in the pamphlet, *The Price of Silver*, on page 20, that the price of silver as named by the New York broker is the price at London plus the theoretical cost of transporting to the United States silver purchased in London.

That is the theory. But what is the fact? For the purpose of this answer I will take the figures submitted by the Jewelers' Vigilance Committee. They state that the annual exportable surplus of silver produced in the United States averages 30,000,000 ounces. And that the United States imports an average of 115,000,000 ounces more. This makes a New York market of 145,000,000 ounces of silver right there in New York, ready for export, every ounce of which is paid for on the basis or theory that it is in London and must be transported to the United States, with all the additional cost of transportation, insurance, handling, interest, and other charges. But it is not. It is actually in New York.

Let me say to those of you who have complained about the "Pittsburgh plus" prices that here you have a monopolistic controlled price which suffers no discount, no equalization of freight to common points, or any other excuse or subterfuge to confound you in figuring for yourself the reason why the silver producer claims this situation is unfair, and is violative of every rule or theory of economics, fair trade, or decent business.

Is it abetted by the smelting monopoly? The silver producer thinks it is. No industry in this country has more successfully curtailed production to control its markets than the smelting monopoly. Go out into any Western State and see the dismantled smelters. In my State I can see the ruins of the 7 largest smelters in the State—3 in Denver, 3 in Pueblo, 1 at Salida. There are only two operating smelters in Colorado to-day and they are of very limited capacity. The representatives from the other silver States may tell you their own stories of the dismantling of smelting plants.

There is no information I can get in the departments here or in the encyclopedias showing that there is any commodity in the world on which the price is fixed like it is on silver.

The question is asked:

As we export 30,000,000 ounces of silver in excess of our import of 115,000,000 ounces—that is, as we export all of our imports and practically half of our domestic production and recovery—how will a tariff be of any benefit to the silver producer?

The Jewelers' Vigilance Committee scoff at the comments made in the Senate upon this question and the answers made to it, but I say to you that the man who can find any relief for the farmer of wheat and cotton in any tariff rate will find in a tariff for silver a beginning for an adjustment of the present conditions which have caused the silver production of this country to fall down from 73,300,000 ounces in 1923 to 58,400,000 ounces in 1928. No wonder the jewelers say that silver has become simply a by-product of lead and copper.

No wonder that the miners in Colorado have decreased from 23,000 in 1913 to 8,000 in 1928. And while the number of wage earners have decreased, every element of cost has increased. In 1913 there were 993 mines reporting their output in Colorado. In 1928 there were only 352, of which 134 reported silver as one of the minerals mined. Again I say the other silver States can furnish like information of the closing of mines producing silver if there is time for them to be heard.

In 1913 we had to pay from \$3 to \$4.50 per day as miner's wages. Now we pay from \$4.50 to \$6 per day. Powder cost then 12 cents per pound delivered at a mine; to-day it costs 18½ cents per pound at the mine. Transportation has increased over 50 per cent, and the cost of boarding the miners has increased 60 per cent.

What is the reason that causes so much silver importation into New York and exportations out of there? You all know the answer—it is the lower cost of production where the living conditions and wage scale of every miner engaged in silver production outside of the United States is so much below the American standard—the cheap labor of Mexicans where the average wages for miners is less than \$1.25 per day, and the day is generally not less than 10 hours. (See *CONGRESSIONAL RECORD*, p. 5610.)

Is not one of the elements entering into a tariff rate the placing of a sufficient amount in the duty to cover the difference between the cost of living conditions and wage standards between our people and the working men of foreign countries? And where such conditions exist as you all know exist in silver-producing countries like Mexico, why should any Member of this House hesitate about voting for a tariff on silver?

Some one says that a tariff on silver will result in reducing the requirements for the existing smelters of the United States. The answer is that if the smelter capacity used for the imported ores were available for ores produced in the United States, the production of our own ores would be encouraged, and the imported silver would then be produced here, furnishing employment for thousands of miners, and actually not reducing the employment in the smelters a single man.

Another says perhaps the smelting monopoly will close more smelters. I have no answer to that except to say that they are in the business of smelting ores, and will continue to run the existing smelters just as long as they can make a profit out of them, and no one has yet said that the smelting monopoly is intending to reduce either its charges or its dividends.

The same monopoly which produces the silver in Mexico handles the refining in the United States, and the smelting is done there. The gentleman here asked if putting a tariff upon silver would not help the copper industry. Maybe incidentally, yes; but it is the real silver production from silver mines, not as a by-product of other ores that has been stopped. The jewelers say, and their statement is true, that silver that is now being produced is practically a by-product, but the reason is because the market for our own silver has been stopped by the importation by Americans, using American money for their investments in Mexico and bringing the silver back to El Paso and Perth Amboy and there holding the silver and sending it into the commerce of the world. The United States controls the largest amount of the export silver business, but our own production is also a part of our silver requirements.



Mr. STAFFORD. Will the gentleman yield?

Mr. EATON of Colorado. Yes.

Mr. STAFFORD. Then the increased price of silver, if there is going to be any increased price, will redound to the benefit of the copper interests, so far as silver is a by-product thereof.

Mr. EATON of Colorado. The total amount in money would be, possibly, a few million dollars spread over the entire industry, which would be infinitesimal, on a percentage basis.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. EATON of Colorado. Yes.

Mr. CLARKE of New York. The gentleman does not mean to say that the price of silver has anything to do with the wages of the miners in the West?

Mr. EATON of Colorado. No; what I say is the reason the refining only is done in this country, while the reason the mining of silver is encouraged in Mexico, is because of the wages paid there.

Mr. CLARKE of New York. The wages paid the miners is by agreement, upon a sliding scale depending upon the price of copper taken from the quotations appearing in the Mining and Engineering Journal, and the price of silver has nothing to do with it.

Mr. EATON of Colorado. We are not talking about the same thing at all. I am talking about the difference in the cost of actual production of silver from silver mines as silver, and not about the difference whether it comes with copper, lead, or zinc.

Mr. ARENTZ. That misstatement of the gentleman should not be allowed to pass unchallenged. The wages paid to miners in Utah, Nevada, and every other place in the West depend upon the price of silver, lead, and zinc, and the low price of silver at the present time has sent down the wages paid in Utah 50 cents per man per day.

Mr. EATON of Colorado. Answering categorically the arguments of the Jewelers' Vigilance Committee:

Jewelers' point 1: "Silver is not a commodity in the accepted sense, and a duty thereon involves complications not germane to ordinary commodities."

In April, 1930, William L. Cooper, Director of the Bureau of Foreign and Domestic Commerce of the United States Department of Commerce, states in his foreword in *The Price of Silver*:

The following exposition of factors which determine the price of silver emphasizes that silver is a commodity.

On page 5613 of the CONGRESSIONAL RECORD you will find other authoritative statements to the same unequivocal effect.

The jewelers' argument on the monetary use of silver is taken care of by the very words of the Senate amendment, so I will not dwell on that feature.

Being a commodity and subject to the fluctuations of commodities, notwithstanding the monopolistic control of the price paid to the producer, we ought to regard silver as other commodities in considering tariff rates upon it.

Jewelers' point 2: "There is every reason to believe that the proposed measure will yield no revenue whatsoever."

The jewelers have no present reputation as prophets. They are salesmen and their brief writers, apparently, are lawyers. Let us prophesy to-day and merely say, "We will impose a tariff rate." Then, after we have confirmed a 30-cent duty on silver, we will make our prophecy an existing fact, and if any further steps are necessary in connection with the monopolistic control of prices or smelting charges or practices, we may consider them at another time. And what is to be desired? A revenue where there is no revenue now? Or shall we encourage the production of silver out of our own mines?

Jewelers' point 3: "Even if the proposed measure should yield revenue, it will not achieve its avowed purposes, but will operate harmfully."

This is another prophecy. To support it, the brief writer states that its effect will obviously be to increase production. If that statement be true, then the exporters will have the burden, and the production end will follow the usual course of supply and demand. The prophecy also points out that manufactured articles are already covered by a duty, and whether it is compensatory or otherwise will bear just as much analysis and comment as many other raw materials and manufactured articles which we have heard discussed.

And if the last prophecy under this argument should become a fact in the years to come, is it not better to learn the lesson after every governmental aid has been given? Have I not heard on this floor complaint that wheat and cotton and steel and automobiles and other commodities are exported and sold in foreign countries at prices lower than the prices received in the United States?

Jewelers' point 4: "Irrespective of whether or not revenue will be obtained, the proposed measure is objectionable because

it will levy a bounty on the consumer in favor of the producer without any regard to foreign competition."

To support this, the prophet states that a tariff on silver will result in a monopoly among silver miners so as to boost the price to the extent of 30 cents per ounce. The absurdity of any charge of monopoly among the silver miners is of the same caliber as the charge that the farm relief measures will produce a monopoly among the farmers. If it be true that every tariff rate will make an increased cost to the consumer, let the ultimate purchaser of manufactured silver articles compare his present-day prices with the prices paid for his sterling-silver teapot when the price of silver was higher and see how much difference it has made.

Jewelers' point 5: "Regardless of its obvious failure to raise revenue or afford protection, the proposed measure is objectionable because of its essential inconsistencies."

Since most of the language commented upon is the exact language that is used in the provision which applies to a tariff duty on zinc and lead (see CONGRESSIONAL RECORD, p. 5610), I will not use any further time in discussing this criticism.

I have not time to discuss the threatened flood of silver said to be imminent from India and China, but it is a sufficient answer to the last paragraphs of this criticism to state that it is hoped that a tariff upon silver will in some manner protect this country from at least some part of any economic disaster if such exports come into the world's markets.

Jewelers' point 6: "The proposed measure is fraught with innumerable difficulties by way of practical application."

Here are some of them: (a) the bankers and dealers will have to keep separate cost figures of silver and records of imports; (b) bond premiums will have to be paid on silver imports held in bond; (c) smuggling will be encouraged. This last suspicion makes it unnecessary to answer any of the conjectures, except, possibly, to comment that these occurred near the end of the brief and the writer's imagination was waning.

Jewelers' point 7: "The contention of the proponents of the measure are unsound and contrary to facts."

Here they are:

Dumping of silver into the United States.

It is not so contended in the Senate debates, nor do the figures so show:

Shipment of silver coins from India to the United States.

I have no doubt that the Senators who referred to this had as good authority for their affirmation as the brief writer has for his negation. The latter cited no authority to support his statement. In the *Price of Silver* the statement is found of sales by China. What difference does it make if the silver is from China or India?—

The India duty is 9 cents an ounce, not 10 cents.

This is splitting a very fine hair.

Jewelers' point 8: "The proposed measure has received no consideration by the House and has elicited apprehension from important Members of the Senate."

Since that statement was true, and the matter is now being considered, this argument is effectually answered.

Jewelers' point 9: "The statement is not warranted that silver mines shut down, because the production in 1929 was 3,400,000 ounces more than in 1919."

According to the figures in *The Price of Silver*, that statement of the brief writer is approximately correct, in comparing the years 1919 with 1929. And so is the statement that the production of silver declined from 73,300,000 ounces in 1923, to 58,400,000 ounces in 1928, which is a decline of 14,900,000 ounces, or 20 per cent.

Jewelers' point 10: "The bill as drafted will shift the world market to London."

There is so much authoritative material available showing without any dispute that the world market is at London now, and that it is a closed monopoly—

The SPEAKER. The time of the gentleman from Colorado has expired.

Mr. EATON of Colorado. My time is up, so I stop here and ask you to concur in the Senate rate of 30 cents as a tariff on silver.

Mr. COLLIER. Mr. Speaker, from the time allotted me I yield such time as he may desire to the gentleman from Colorado [Mr. TAYLOR].

Mr. TAYLOR of Colorado. Mr. Speaker, ladies and gentlemen of the House, there are over 28,000 items in this tariff bill. There is only 1 item out of the entire 28,000 that applies exclusively to the West and that is this Senate amendment of a tariff of 30 cents an ounce on silver. Silver mining is a basic industry in the 12 great Western States of this Union. Silver to-day is at the lowest price in our history. Silver mining

throughout the Rocky Mountain region is at practically a dead standstill. The closing down of those mines greatly reduces the production of lead, zinc, and copper, that are so vitally necessary in our industries. Foreign silver mines are being rapidly developed by Government aid and cheap labor. When our mines are being worked it benefits our farmers and the manufacturers everywhere. A tariff bill which protects manufacturers and farmers should also protect the silver miner. Why should the silver-mining industry be discriminated against? A revival of the mining industry throughout the West would employ tens of thousands of men and women at good wages and enormously benefit the entire country. If American standards of living should be maintained, our silver miners should not be required to compete with the lower standards of living in other countries. Other countries are shipping—in fact, dumping—enormous quantities of silver into this country; and much of it is mined by peons who actually get about 30 or 40 cents a day. American labor can not and will not compete with that kind of work. If protection is a national policy, as both political parties now say it is, if its benefits are to be extended to all industries that need it, if all our people are to be treated fairly and alike throughout our country from Plymouth Rock to the Golden Gate, then Congress should be consistent and honest and grant this relief to the West. [Applause.]

Mr. COLLIER. Mr. Speaker, I yield to the gentleman from Washington [Mr. HILL] such time as he may desire.

Mr. HILL of Washington. Mr. Speaker, the silver mines of the West are idle. They need this protection. They are a unit in asking for it. They know the problem better than those who are not engaged in the industry.

Great opportunities await the silver mines of the West if given protection adequate to enable them to operate. They are profitless if not given protection.

I can not, in the short space of time allotted me, go into a detailed discussion of the merits of the case. I desire, however, to extend my remarks in the RECORD, Mr. Speaker, by printing therein a short letter from E. K. Brown, of Ellensburg, Wash., a telegram from the president of the Northwest Mining Association, and a telegram from the secretary of that association setting out the necessity for this protection. I ask that you vote for the amendment.

The SPEAKER. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The matter referred to follows:

ELLENSBURG, WASH., April 16, 1930.

HON. SAM B. HILL,  
Washington, D. C.

MY DEAR JUDGE: The Senate inserted in the pending tariff bill a clause imposing a duty of 30 cents per ounce on foreign silver. As one deeply interested in the mining resources of the State of Washington, I can not forbear writing you in this matter. I sincerely trust that the duty may remain in the bill and become a law. I don't know how you stand on it, but should we be able to secure such a duty it would be of tremendous benefit to the entire West. But no part of the country would benefit more than your own district. It would enable the owners to reopen the old mines at Ruby and Conconully, the Deer Trail in Stevens County, and the entire Sheridan district in Ferry and Okanogan Counties. The last named is most important, and a real asset to the State. The falling price of silver has resulted in shutting down these properties, and their resumption would be of high industrial importance.

I sincerely hope that you can see your way clear to work for the retention of the Senate provision.

Very truly yours,

E. K. BROWN.

SPOKANE, WASH., April 19, 1930.

HON. SAM B. HILL,  
House of Representatives, Washington, D. C.:

Reply to your letter of 7th has been delayed owing to my absence from office. Thank you for your efforts thus far and trust that we can rely upon you to use your utmost diligence in fight which has developed in House. Owners of silver mines in Mexico and Silversmiths' Guild are behind opposition to Senate amendment. Unless increased demand for silver can be created in United States tariff will be inoperative, therefore those responsible for creating additional demand should be protected.

F. CUSHING MOORE.

SPOKANE, WASH., April 21, 1930.

HON. SAM B. HILL,  
House of Representatives, Washington, D. C.:

Northwest Mining Association regards silver tariff essential in plans for western quantity manufacture of silverware. Curtailment of lead and copper mines with silver by-product cuts domestic surplus, possibly

making duty immediately effective. Steps for popularization can not be taken under threat of hoarded silver of Orient being dumped on American market. Please use every endeavor to restore silver tariff which Senate adopted.

LEON STARMONT,

Secretary Northwest Mining Association.

Mr. HAWLEY. Mr. Speaker, I yield four minutes to the gentleman from Montana [Mr. LEAVITT].

Mr. LEAVITT. Mr. Speaker and Members of the House, the question before us now is whether or not we are in favor of protecting the producers of a raw material that could be produced in sufficient quantities in the United States, under proper protection, to supply the American industries.

The situation now is this: We are producing in the United States 58,000,000 ounces of silver. We are consuming 40,000,000 ounces of silver. We are importing from Mexico 77,000,000 ounces, from South America 18,000,000 ounces, and that is being done under conditions of wages in Mexico averaging \$1.21 a day, as opposed to wages in similar mines in the United States of \$4.97 a day.

Back in 1922, when the present tariff law was enacted into law, the price of silver was 75 cents an ounce. At the present time it is only 40 cents an ounce. The manufacturers of silverware came before the Ways and Means Committee in 1922 and made a case for the present ad valorem of 60 per cent on foreign silverware. That was on the basis of the price of silver at 75 cents. At the present time it is 40 cents. If you add the present price of silver and the proposed tariff of 30 cents, you would only restore the price of silver to below where it was in 1922, when the present tariff was given on silverware to the manufacturers of the country.

What we are asking for, those of us who do come from States that now produce silver largely as a by-product of copper, but which could reopen many silver mines which are now closed because of the low price, which could furnish work for many hundreds of men at the American standard of wages, which could reopen communities which have become impoverished on account of the low price of silver—when we come and ask for a tariff on silver these men who come from the manufacturers' section seek to apply a different rule to the tariff than that which you apply when it is used for the manufacturers.

Mr. MARTIN. Will the gentleman yield?

Mr. LEAVITT. I will.

Mr. MARTIN. Does not the gentleman think that when we put a duty of 30 cents on silver there ought to be a compensatory duty?

Mr. LEAVITT. That question was not raised in the committee and it can not be raised now. The question here is whether or not we are going to agree to what was done in the Senate by a vote of 55 Senators after they had listened to the situation in regard to the silver industry. After a statement by Senator Fess that it was justified and after the argument made when the case was presented it resulted in 55 Senators voting in favor of the duty. That is all we are considering here.

Mr. MARTIN. Will the gentleman yield?

Mr. LEAVITT. I am not going to yield to discuss something that is not before the House. [Applause.]

The SPEAKER. The time of the gentleman from Montana has expired.

Mr. HAWLEY. Mr. Speaker, how does the time stand?

The SPEAKER. The gentleman from Oregon has 11 minutes remaining, and the gentleman from Mississippi 10 minutes remaining.

Mr. COLLIER. Mr. Speaker, I yield five minutes to the gentleman from Montana [Mr. EVANS].

Mr. EVANS of Montana. Mr. Speaker, we produce in this country at the present time 59,000,000 ounces of silver per annum. It has dropped off in price about 25 per cent since 1923. We consume in this country 40,000,000 ounces of silver. We have 115,000,000 ounces of this cheap silver coming into the country free to compete with us in our home market, where we consume 40,000,000 ounces of silver. We can not compete with it. Foreigners have started in and beaten the price down in their contracts with the consumers of this country until they have taken all of the business.

But we are met with the argument that we export 109,000,000 ounces of silver every year. Yes; that is true; but what silver is that? There is brought into this country 115,000,000 ounces every year, and with that we produce 40,000,000 ounces of our domestic silver, and the balance of that imported silver not consumed here is exported, as we export all of ours into the markets of the world.

The export trade of the United States is more seriously threatened by the unprecedented depression in the value of silver than from any other cause that has arisen in years. Financial magazines have been discussing the subject for



weeks. They all agree upon the disastrous effect that this depression must have upon our exports.

Over half of the people of the world use silver as a medium of exchange and value. The contraction of the value of this medium of purchase affects the purchasing power of the people whose assets are measured in silver and whose purchasing power depends upon its value.

The value of silver has reached the lowest level in all history. In 1913 its average price was 62 cents an ounce. To-day the market price is quoted at 42 cents an ounce.

This tremendous depreciation in value to be fully realized must be considered in connection with the rise in the cost of all commodities since the pre-war date of 1913. The average rise in all commodities, according to the commodity index, is approximately 38.3 per cent, while the decrease in the commodity price of silver since 1913 to the present time is 30 per cent.

Let us take China simply as an illustration of the effect of this unnatural and grave depreciation of the price of silver upon this export trade in China. Our trade with China amounts to \$300,000,000 a year. China is one of our best markets. In fact, China is the natural export market for the United States and should remain so.

The question has been asked as to whether or not it would be better if we had a compensatory duty. I am willing to say that I think it might have been better, but conditions are such that you have not got it and you can not put it in this bill. We must vote for or against the item as the bill is now written. The question now is whether you will allow any protection for an item for the West. All my political life I have heard speakers for the prevailing party in the House argue to the American people that the tariff was for the protection of American labor. They have argued that the tariff is for the benefit of the American laborer in order that he might have a living wage, and that he might have the American standard by which to live. In the West our silver mines are idle, our silver mills are closed down. If silver were a reasonable price, we could put two or three hundred thousand men to work. You have closed them down, and therefore those men must go into some other industry; they must compete with some other men in some other business; they must tend to pull down wages of those men. If it be right that you should legislate to pay the shoemakers and the manufacturers of Massachusetts a living wage, why should you not legislate to pay the silver miners a living wage?

Mr. COLTON. Mr. Speaker, will the gentleman yield?

Mr. EVANS of Montana. Yes.

Mr. COLTON. The present bill carries a 65 per cent ad valorem duty on manufactured silver.

Mr. EVANS of Montana. Yes.

Mr. MARTIN. What does the present tariff law carry?

Mr. EVANS of Montana. Sixty per cent.

Mr. MARTIN. Would that compensate for a 75 per cent in cost?

Mr. EVANS of Montana. I would rather think so.

Mr. MARTIN. But the gentleman does not know?

Mr. EVANS of Montana. No; I do not know, and I venture to say that the gentleman from Massachusetts does not know.

Mr. MARTIN. I am sure it would not. How many people are actually engaged in silver mining? Is not the number about 3,000?

Mr. EVANS of Montana. I expect it is 3,000 or less in actual silver mining, because legislation has been long in the interest of manufacturers in the East, and it has closed down the West. That is the reason. The question has arisen as to whether or not silver is a by-product. Of course it is. The price is so low and the conditions are so abnormal that you have closed down silver-mining properties, and silver is getting largely to be a by-product from copper mines.

Mr. MARTIN. If England and Germany sell the silverware in this country how much will your mines sell us?

Mr. EVANS of Montana. Possibly they would not sell you very much; but you will produce less silver from year to year as long as you allow silver produced at a dollar a day to come in and compete with silver produced in mines where the men are entitled to draw four or five dollars a day. No one will say that a man working in a silver mine is not entitled to four or five dollars a day. Yet you take away his occupation and allow silver to come in, the result of peon labor in Mexico, and the result of cheap labor in South American countries, and then you come in and say that you are legislating in the interest of the wage-worker of this country. Mr. Speaker, it is a travesty, just as the gentleman from Colorado [Mr. TAYLOR] said. There is but one item in this bill about silver, and the West is primarily interested in it, and no sane man will say that in your tariff legislation in the last 50 years you have paid any attention to the West. You have not paid any attention to agricultural schedules until this time, and not very much now. You go out

and ask us to vote for the bill, and some of us will vote for a good many items in the bill.

Mr. MARTIN. Is the gentleman going to vote for it?

Mr. EVANS of Montana. Not for the bill as a whole; but I am going to vote for the duty on silver.

Mr. MARTIN. The gentleman is going to vote for his own products.

Mr. EVANS of Montana. Yes; just as the Representatives from Massachusetts and New England and these other States have been voting for their own products all of their lives. Now you come along and we want to share the thing with you.

Mr. MARTIN. We are going to vote for the products of other people too.

Mr. EVANS of Montana. Are you going to vote for silver?

Mr. MARTIN. I would vote for it if you would give me a compensatory duty on manufactured silver. Would the gentleman from Montana vote for the bill if silver comes in?

Mr. EVANS of Montana. Mr. Speaker, we have been for 14 months in the consideration of this tariff bill. It is going to pass. I do not think I shall vote for the bill as a whole, but I shall vote for some of the items, in order to make the bill the best bill that I can. I know that it is going to pass, and I beg of you gentlemen who are voting your own items in this bill that you take into consideration the great western country. You outnumber us 10 to 1. You have the power to give or to deny. I ask you to give some consideration to the people who come from that country, and to place the workmen there on some sort of an equal footing with the manufacturers and the workmen in your shoe industry and in other industries along the Atlantic coast. [Applause.]

The SPEAKER. In order that there shall be no misunderstanding, the House having granted all Members five legislative days in which to extend their remarks, the Chair thinks that that does not include the privilege of printing letters, telegrams, or extraneous matter. That privilege must be granted in each individual case, if it is requested.

Mr. HAWLEY. Mr. Speaker, I yield four minutes to the gentleman from Nevada [Mr. ARENTZ].

Mr. ARENTZ. Mr. Speaker and ladies and gentlemen of the House, you can not say very much in four minutes. I have a letter here which I think you will all be interested in, written by a man who has the welfare of the American worker in mind, a man who knows that a 30-cent tariff will give work, and continued work, to men located throughout the western country who are not only producing silver but who are producing lead, zinc, and copper. That letter reads as follows:

NEW YORK CITY, April 30, 1930.

HON. SAMUEL S. ARENTZ,

House of Representatives, Washington, D. C.

HONORABLE SIR: On behalf of the membership of the International Union of Mine, Mill, and Smelter Workers, affiliated with the American Federation of Labor, employed in the mining and smelting of silver, we ask that you make known to the House of Representatives our strong appeal for the adoption of the Senate amendment of 30 cents per ounce on silver.

The American workers engaged in the mining and smelting of silver are forced to compete in America with silver produced by the peon and forced labor of the South and Central America and Asiatic countries.

The difference in labor costs is so great that while we know that this duty of 30 cents per ounce will not equal the difference in costs of production, it will greatly help those American workers dependent for their livelihood on the ability to dispose of the products of their labor in the mining and smelting of silver.

With Great Britain withdrawing the silver coinage used for centuries in India and placing the silver content thereon in the American market, the price of silver has dropped to 42 cents per ounce, a figure which makes it impossible for the product of the American silver miners and smelters to compete with in America.

In 1922, when the Congress enacted a tariff duty of 60 per cent on fabrications of silver, the price of silver was 75 cents per ounce. Therefore the adoption of a tariff rate of 30 cents per ounce in addition to the present price of 42 cents per ounce will not even place the price of silver where it was when the duty of 60 per cent was placed on fabrications of silver in 1922.

American workers realize that when workers engaged in the mining and smelting of silver are unable to secure profitable employment in the mining and smelting sections of our country that they are forced, in order to live, to migrate to the larger cities, where already there are millions of American workers unable to obtain employment.

We sincerely trust that the membership of the House of Representatives will answer the appeal of the men engaged in the mining and smelting of silver and agree to the Senate amendment placing a duty of 30 cents per ounce on silver.

Sincerely yours,

AMERICA'S WAGE EARNERS' PROTECTIVE CONFERENCE,

MATTHEW WOLL, President.

M. J. FLYNN, Executive Secretary.

In this tariff bill the gentleman from Oregon [Mr. HAWLEY] and his colleagues—and I have the utmost faith and kindly feelings toward them, regardless of their feeling for silver—added 5 per cent on the tariff on fabricated silver, so that the duty now is 65 per cent.

The SPEAKER. The time of the gentleman from Nevada has expired.

Mr. ARENTZ. I ask unanimous consent, Mr. Speaker, that I may extend my remarks and include this letter that I have just read.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. ARENTZ. In the discussion of the silver amendment with members of the conferees on the tariff bill and with Members of the House who are not certain of the advantages to be derived from a tariff on silver they make the statement that we produce in this country silver far in excess of our needs; in other words, that we are exporters of silver. This statement is true, we are exporters of silver and likewise we are exporters of wheat, of steel products, and of other manufactured goods too numerous to mention, which are fully protected in the present tariff bill.

Every Member of Congress has recently received a brief from the Jewelers' Vigilance Committee, so called—propaganda of the most vicious sort—containing statements of which the following is an example: "A tariff on silver will be a considerable inconvenience to domestic smelters and refineries treating base-metal ore or bullion that contains silver." An "inconvenience" is to be set up as against the destruction of an important industry by the free importation of silver contained in ores produced by labor in Mexico and South America, labor which receives but a fraction of the wage paid for the same work in the United States.

The same provision pertaining to silver in this paragraph pertains in an equal degree to lead, zinc, and other ores as well as to bullion coming into the United States. There is a tariff on lead and zinc ores coming into the United States, hence these ores come in under a bond under the same provision as silver ores, mattes, and bullion would come in under this paragraph.

The silver manufacturers of this country in 1922 obtained a duty of 60 per cent ad valorem on their manufactured silverware, at which time silver cost them 75 cents an ounce. To-day silver costs them only 42 cents an ounce. If the whole duty became effective, the cost of silver would be only 72 cents an ounce, 3 cents an ounce less than what they were paying for it in 1922, when they got an ad valorem duty of 60 per cent on value of manufactured articles; but in the present act they are given a higher duty. This Congress has raised that duty 5 per cent and given them an ad valorem duty of 65 per cent. There is not any excuse whatever for increasing the price of silverware even if this duty were entirely effective and the cost of silver were increased.

Now, as to the moving-picture industry. Is it possible that even if this tariff increased the cost of the total silver of the United States \$12,000,000 it would affect the cost of a ticket in a moving-picture show? Do you think it would be possible to compute an additional \$12,000,000 out of the billions it costs to produce and present pictures in the moving-picture theaters of the United States and add it to the cost to the consumer? That is a hypocritical argument; but it is the hypocritical argument used by the Jewelers' Vigilance Committee.

It is not intended to charge any duty whatever on the importation of silver-bearing ores, silver bullion, or silver in any other form that comes into this country for the purpose of smelting, refining, or minting, and export. It is provided that in such case a bond shall be given. In other words, it is the exact language that is used in the provision which applies a tariff duty on zinc and lead. It is not intended that the smelters or the refiners or the mints shall be in any way affected or influenced by this duty, and they would not be. The 30-cent tariff on silver is to protect the American miners, the workers in silver, lead, and zinc mines, and the operators who have vast sums of money invested in these enterprises from the dumping of silver from India.

Great Britain has demonetized silver. Every time a silver rupee comes into a bank in India it is immediately sent to the mint and melted up and silver is sent out of the country—it is dumped on the markets of the world without regard to price, because, it is said, Great Britain would rather throw the silver into the sea than to have it in India. Great Britain has determined that India shall not use silver for money. The dumping of silver from India is the most serious thing we now have to face. Great Britain came to the United States during the World War, and, as a war measure, got a law passed to melt up our standard silver dollars so as to give her 200,000,000

ounces of silver to prevent a revolution in India. Great Britain does not want that to happen again—she believes it is impossible to control India unless she gets rid of all the silver in that country. To-day I am speaking, not for Great Britain nor for India, but I am speaking for the American miners and the American producers of lead, zinc, and silver.

We need to be perfectly frank in this matter for we will get nowhere by being otherwise. In the first place, silver is a commodity; this has been acknowledged for years by economists in this country and abroad; its variable price would indicate this if nothing else did; it is used as a medium of exchange in many countries of the world for obvious reasons which need not be discussed here.

I have read with great interest the statements in the CONGRESSIONAL RECORD made by Senator SWANSON, of Virginia, during the discussion of the Pittman silver amendment in the Senate. Senator SWANSON says:

I look on silver now as absolutely a commodity; it is no longer money; it is like wheat, corn, oats, iron, and other things. It is—

Says the Senator—

liable to taxation even from a Democratic standpoint.

He further says:

Inasmuch as silver has become a commodity, from a revenue standpoint I do not see why it should not pay a tariff like any other commodity.

Further on the Senator says:

When I saw that India was dumping silver here, that China will dump it here, and that this is the dumping ground of silver from all over the world, and it is coming in here in sufficient quantities to put silver down to 30 cents an ounce here, why should not the Government collect some revenue from it?

Silver is produced to the extent of only about 10,000,000 ounces from mines which in a strict sense of the word are silver mines—the balance of the silver produced in the United States is derived from lead, zinc, lead-zinc, and lead-zinc-copper mines.

According to the report of the Director of the Mint for 1928 the annual domestic production in ounces of silver since 1917 is as follows:

1917	71,740,362
1918	67,810,139
1919	56,682,445
1920	53,361,575
1921	53,052,441
1922	56,240,048
1923	73,335,170
1924	65,407,186
1925	66,155,424
1926	62,718,746
1927	60,438,441
1928	58,462,507
1929	60,937,600

Most of the silver produced in the United States is derived from base ore—ore valued principally for lead, zinc, and copper. In the treatment of such ores the silver content, in most instances, represents the operating profit. In 1927 the following tonnages of silver-bearing base ores were treated:

Lead ore, 2,004,729 tons; value in gold and silver, \$4.89 per ton.  
Zinc ore, 452,490 tons; value in gold and silver, \$2.18 per ton.  
Lead-zinc ore, 3,134,942 tons; value in gold and silver, \$2.99 per ton.

Copper-lead-zinc ore, 418,601 tons; value in gold and silver, \$2.18 per ton.

From the above data it is thus seen that the present low price of silver has not only caused the closing down of silver mines of the United States but it has brought about the closing down of lead, lead-zinc, and other base metals mines. The present low price of silver has thus affected thousands of workmen and their families at many points throughout the West. The unemployment has affected other industries in an ever-widening circle which will in its turn affect industry in the East. This problem thus presents itself to me as a national problem, one deserving of my attention because I am a Member of Congress, because I represent one of the important silver-producing States of the Union, and because indirectly I happen to be in intimate touch with mining conditions throughout the entire West. I am interested in anything affecting mining, anything that tends to disrupt this important industry, anything that has such an important bearing upon so many scattered communities, communities which are considered at the present time as only affected temporarily but which, if the silver industry is not protected by an adequate tariff, will be affected permanently, if not entirely abandoned.

I know of one mine in particular, treating 300 tons of ore per day, in which each ton of ore contains but 3 ounces of silver. From the silver content of this ore is derived the only profit of the mine—the cost of mining, crushing, treatment, and general



expenses is all absorbed by the lead-zinc content of the ore leaving the value of the silver as the only profit.

The following editorial, which was clipped from the Carson City News, Carson City, Nev., under date of April 15, sums up the situation as it affects my State much better than I could myself. I quote:

If the silver mines of Nevada are to survive and continue production the vast amount of silver produced in Mexico as well as that held by India and China must be barred from the United States.

The item of 30 cents an ounce duty on silver given a place in the tariff bill by the Senate is threatened with elimination by the conference committee with which the final form of the legislation now rests.

Nevada to-day, as never before, needs protection for her silver-mining industry. Unless the duty is retained, the silver mines of this State, as well as of the entire West, will decline and be compelled soon to close.

The President has outlined a program of governmental and business activities designed to increase employment and restore the country to normal prosperity. A duty on silver would have an important effect in that respect in nearly all Western States, says the Age (Las Vegas, Nev.).

India, under the policy adopted by Great Britain, is beginning to dump the vast and unestimated stock of silver held by the people of India on the markets of the world. We can see no advantage should the people of the United States be compelled to buy foreign silver instead of that produced in our own mines.

These are changing times, to be sure. Silver bids fair to become a common commodity like lead or zinc. But Nevada, which has given to the world so many millions of wealth, can not submit tamely to the closing of one of her chief industries, especially at this time when every means of employment should be given encouragement.

It costs money to close down a mine, and it is costly, too, to any mining enterprise to have to lay off for any length of time its personnel of trained men, who quickly desert mining camps and take up residence in cities, thus making it almost impossible for the enterprise to start up again without great expense for the training of men and rebuilding of the community. Silver as a commodity, and it is a commodity, should be treated as such, and the silver industry should be helped and encouraged through suitable tariff to the same extent as we have lent encouragement to other industries brought into competition with foreign labor.

The average wages paid for labor in the mines of the United States producing silver are at least three times the wages paid in similar mines in Mexico. The 8-hour law has not been universally adopted in the mines of Mexico as it has in the mines which are the chief producers of silver in the United States. In many cases, and I may say in most cases, in Mexico the day's labor is 10 hours. The averages paid for labor in the leading mines producing silver in the United States, as shown on page 1 of Bulletin No. 394 of the United States Bureau of Labor Statistics for 1924, is 59.9 cents per hour, or for an 8-hour day \$4.79.

It is a well-known fact that wages of miners in the Western States where the metalliferous mines exist were recently increased above this figure by the rise in the price of copper and the wages of miners in lead mines were increased in sympathy, so it is safe to say that the average wage is nearer \$5 per day than \$4.79. Averages paid for labor in the leading mines producing silver in the other countries exporting to the United States, other than Canada, are \$1.21 per day. According to the special report obtained by the Engineering and Mining Journal of January 14, 1928, the average wages paid in Mexico are as follows:

Northern Sonora, 5.27 pesos daily; Chihuahua, 4; Coahuila, 2.85; State of Mexico, 1.65; and Oaxaca, 1.68. These figures are given in pesos. The peso is the standard silver money of Mexico. Its price varies in accordance with the price of silver. At the present time it is worth in our money about 35 cents. The highest daily wage paid miners in Mexico is in Sonora, which is 5.27 pesos.

No discussion of the silver situation is complete without a consideration of the importations of silver-bearing ores, bullion, and silver in any other form that comes into this country for the purpose of smelting, refining, or export. It is not intended by this silver duty to harm in any way the smelters or refiners, as stated at the outset of these remarks; neither shall the mints be in any way affected by this duty. A reading of the Senate amendment, which follows, clears up any ambiguity on this point. It reads:

PAR. —. Silver-bearing ores, mattes, base bullion, silver dross, reclaimed silver, scrap silver, and all alloys or combinations of silver imported into the United States for the purpose of processing, refining, or minting for export to a foreign country and not for use, sale, or disposition within the United States or any of its possessions, may be imported for such purpose free of duty upon the execution of a bond given

in double the amount of the estimated duties that would be charged upon such silver contents so imported if for use, sale, or disposition in the United States, conditioned that such silver contents will not be used, sold, or otherwise disposed of in the United States prior to export therefrom and upon further compliance with such regulations and guaranties as the Secretary of the Treasury may by regulations require.

The price of silver has varied from 61 cents per ounce in 1913 to 54 cents per ounce in 1924, 57 cents per ounce in 1928, exclusive of the high price during the war, and 42.2 cents per ounce to-day.

The bullion value of the silver dollar—371¼ grains of pure silver—at the 10-year average price of silver since 1837 is as follows:

1837	.....	\$1.009
1847	.....	1.011
1857	.....	1.046
1867	.....	1.027
1877	.....	0.92958
1887	.....	.75755
1897	.....	.46745
1907	.....	.51164
1917	.....	.69242
1927	.....	.43838
To-day	.....	.3495

This depreciation in price is having a very destructive effect in all countries where silver is used as money. This destructive effect is upon us in America to-day—we can not destroy values in any industry without such destruction having a widespread influence on other industries. This breaking down of the price of silver it simply breaking the silver, lead, and zinc miners of America. When wages are cut the purchasing power of our people is decreased. When mines and mills are closed, purchases of all kinds are curtailed to the very minimum, savings are used up, and the effect is felt from coast to coast in industry of all kinds. [Applause.]

Mr. COLLIER. Mr. Speaker, I would like to know if my good friend from New York, Doctor CROWTHER, wishes to consume some time in support of the motion of the chairman?

Mr. CROWTHER. Do you want to yield me some time?

Mr. COLLIER. Yes.

Mr. CROWTHER. I want to say to the gentleman that the silver people are presenting a very good case, and they deserve to win out.

Mr. COLLIER. That bears out what I have often said, that you can corner the doctor, but you can never get him in a hole. [Laughter.]

Mr. Speaker, I yield two minutes to the gentleman from California [Mr. ENGLEBRIGHT].

The SPEAKER. The gentleman from California is recognized for two minutes.

Mr. ENGLEBRIGHT. Mr. Speaker, ladies and gentlemen of the House: The silver-mining industry of the United States is at the lowest ebb of operation in its entire history. When I say silver-mining industry, I mean by that, mines that are operated chiefly for the silver contents of their ores. At the present time, we are producing in this country about 58,000,000 ounces of silver per year.

Silver, in 1913, sold for 60 cents an ounce. At the present time silver has dropped to 42 cents an ounce; or in other words, from 1913 to the present time the metal has dropped 33½ per cent of its former value. This great decrease in price has resulted in the closing of the silver mines in all of the Western States. In some localities the flourishing silver-mining camps which existed a few years ago are now abandoned, and the mining plants and buildings turned into desolate ruins.

Mr. BOWMAN. Mr. Speaker, will the gentleman yield?

Mr. ENGLEBRIGHT. Yes.

Mr. BOWMAN. Would you give to the Members of the House the reason or cause for this depression in the silver business?

Mr. ENGLEBRIGHT. Yes; I will be glad to.

Silver, since 1873, has been recognized as a commodity and is treated as such by the Secretary of the Treasury and by the Secretary of Commerce. According to the index number, every commodity has increased up to the present time, an average of 35½ per cent. Under the pending tariff bill, protection has been given to various commodities of industry which are threatened with competition in foreign production, yet the industry of silver mining under the House rates has been left upon the free list.

We, as a nation, are importing silver into this country at the rate of 114,000,000 ounces per year—77,000,000 ounces from Mexico, 18,000,000 ounces from South America, and the remainder from miscellaneous other countries.

The American miner and the American silver producer are placed in competition with cheap foreign labor and with the advance in price of other commodities. The silver mining operator of this country has reached a point where he no longer can make a profit except in cases where ore values are exceed-

ingly high. The average wage of Mexico and South America for miners of 10 hours per day is \$1.21, while the average wage paid to silver miners in the United States is \$4.79 per 8-hour day. These figures in themselves indicate the difference in the cost of production of silver in Mexico, South America, and the United States.

India has been the great storehouse and hoarding place of silver for centuries and is now rapidly being placed by the British Government on a gold basis. India is dumping upon the world market her silver at an enormous rate, and in 1929 fed into the silver market of the world 55,000,000 ounces. The whole world production of silver on an average is only 256,000,000 ounces, so that it can readily be understood what the effect is going to be upon the silver market as the result of the British policy in India. The rupee is the circulating medium of India, and they use silver almost exclusively for money. The Government of Great Britain feels that it is to its best interests to have gold as the basis of money in India. Every time a silver rupee is placed in a bank in India it is at once sent to the mint, melted up into bullion, and the silver shipped out of the country. It is placed upon the market of the world without regard to price, and England has placed a duty of 10 cents an ounce to prevent it from being returned to India.

If the silver-mining industry of the United States is to survive and American miners and working men are to be protected from the cheap labor of Mexico and the South American countries, and the industry given an opportunity to live, the Senate rate of 30 cents per ounce must be placed upon silver.

The SPEAKER. The time of the gentleman from California has expired.

Mr. COLLIER. I have not much time remaining, not as much as I thought I had, and most of the time I have yielded has been given to those on the other side. Can the gentleman from Oregon give me a little of his time out of the generosity of his heart?

Mr. HAWLEY. How many speakers have you?

Mr. COLLIER. One.

Mr. HAWLEY. I yield to the gentleman two minutes.

Mr. COLLIER. Mr. Speaker, I yield all the time remaining to me, together with the two minutes generously given to me by the gentleman from Oregon, to the gentleman from Illinois [Mr. HENRY T. RAINEY].

The SPEAKER. The gentleman from Illinois is recognized for three minutes.

Mr. HENRY T. RAINEY. Mr. Speaker and ladies and gentlemen of the House, this proposed tariff on silver is simply tariff run mad. In order to be perfectly consistent with the positions they have taken, I am assuming that the Republican side of this House will find it necessary to vote for a tariff on silver. But no nation in the world ever imposed a tariff on silver.

Mr. LANKFORD of Virginia. Mr. Speaker, will the gentleman yield there?

Mr. HENRY T. RAINEY. Yes.

Mr. LANKFORD of Virginia. Does not India have a tariff on silver of 10 cents to-day?

Mr. HENRY T. RAINEY. I do not know whether she has or not. It was recently imposed, if there is any.

Mr. LANKFORD of Virginia. Recently imposed.

Mr. HENRY T. RAINEY. Well, that is no reason why we should go wrong because India does. Out there in India they are not supposed to have much enlightenment on any subject, and a tariff on silver is consistent with the other policies of the Indian princes and the Indian Parliament. It does not surprise me at all. But it does not constitute any precedent, nor if it did ought we to follow it.

Silver has been a money metal since the dawn of civilization. Silver was the money metal of the world when the shepherds at Bethlehem watched their flocks by night. Christ was betrayed for 30 pieces of silver. Silver is the money metal of one-half the population of the world to-day, and it is a money metal of the United States.

We have increased our supply of circulating coined silver in the last four or five years by \$55,000,000. It constitutes all our subsidiary circulation, practically, our circulation of money under \$1, and a large part of our dollar circulation consists of silver.

Now, I know of no proposed tariff which will so quickly defeat its objects as this tariff on silver. The cause of the low price of silver is evidently overproduction. It has been stated that silver sold at 62 cents in 1913, but silver sold for 46½ cents in 1902, for 50¼ cents in 1910, for 51½ cents in 1911, for 47½ cents in 1914, and for 46¼ cents in 1915. Therefore, silver has sold at approximately its present price several times in recent years.

Silver is largely a by-product. More than one-half of the world's silver production comes from mines which are operated

for their lead, copper, and zinc output. The world must have these basic metals, and as long as they are mined silver will continue to be a by-product. In this country four-fifths of our production of silver comes as a by-product from these other metal industries and is not dependent in any way on the world price for silver.

If the proposed tariff is effective, the result will be a larger stimulation of copper, lead, and zinc mining.

The recent high price of copper resulted in such a large production that copper producers resorted to many methods of holding up the market, but they failed in their efforts, and the collapse in the price of copper followed. Therefore if a tariff on silver will operate still further in the direction of a larger copper output, the result will be more disastrous than the recent collapse in copper.

If the tariff accomplishes what they claim for it, it will quickly defeat itself.

But silver is essentially a money metal and not a commodity. If we increase the price of silver we might compel the users of silver nitrates to import nitrates even at a duty of 25 per cent rather than submit to the 30 cents an ounce increase in the price of domestic silver. This would tend to remove from the United States a very large silver-consuming industry, therefore, in the end if the proposed measure unfortunately accomplishes what is claimed for it, it will again in this particular defeat itself.

We import silver, but we export more silver than we import. In 1924 we exported 55,000,000 ounces of silver more than we imported. Every year from 1924 until the present time our exports have greatly exceeded our imports of silver. In 1928 we exported 31,400,000 ounces of silver more than we imported. Our exports of silver have declined about in proportion as our production of silver has declined. In 1924 we produced 65,400,000 ounces of silver—in 1928 we produced 58,400,000 ounces of new silver.

We always reclaim a large amount of silver and the amount we reclaim has averaged about 8,000,000 ounces to 10,000,000 ounces per year for the last 5 or 6 years.

We consume in the United States every year about one-half of our production of silver, leaving the other half as surplus for export or for stock. The net surplus after export evidently goes largely into increasing our stock of silver for monetary reserve. About one-fifth of our production of virgin silver only is produced from mines which would not be operated except for their silver content and whose operation is dependent upon the price of silver—the other four-fifths is by-product from the treatment of complex ores mined on account of their lead, copper, and zinc content, and the continuance of this production does not depend upon the price of silver.

If we export more silver than we import, it will follow as a matter of course that the price of silver in the United States will depend upon its world price, and the tariff proposed in this bill can have no effect whatever upon its price.

It has been seriously contended that India is dumping silver in this country at the present time, but the United States Department of Commerce, Statement No. 61, which goes back as far as January, 1902, shows no importation whatever of silver bullion from India; but during that period of time we exported to India 320,500,000 ounces of silver. The imposition of this duty, if it is effective, will seriously injure the very large manufacture in this country of silver utensils and silver objects of art.

From no conceivable standpoint can the imposition of this tariff be sustained. The proposal is absurd in the extreme; it is protection run mad; and I can not conceive that the Republican majority in this House will stand for a proposition so preposterous.

The SPEAKER. The gentleman's time has expired.

Mr. HAWLEY. Mr. Speaker, I yield the balance of my time, with the exception of a quarter of a minute to the gentleman from New Jersey [Mr. LEHLBACH].

The SPEAKER. The gentleman from New Jersey [Mr. LEHLBACH] is recognized for five minutes.

Mr. LEHLBACH. Mr. Speaker, if this proposed tariff on silver would do one iota of good to the silver-production industry of this country, there might be reason to give it serious consideration. But it will not. If it has any effect at all, it will be to harm the silver industry of this country. We export more silver than we use in the United States.

Mr. ENGLEBRIGHT. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. ENGLEBRIGHT. Will the gentleman tell us how much we import? Did we not import 114,000,000 ounces per year?

Mr. LEHLBACH. We export over one-half of our own silver production. The balance of it goes into domestic use.

Mr. LEAVITT. Will the gentleman yield?

Mr. LEHLBACH. I yield.



Mr. LEAVITT. Would it not be better to use that in our own industries than to export it?

Mr. LEHLBACH. There is no imported silver to speak of, used in our industries. The great bulk of the silver that is imported is imported for the purpose of refining and is exported again.

Mr. LEAVITT. Would it not be better to refine our own silver rather than silver that is imported from other countries?

Mr. LEHLBACH. But we do refine our own silver and a lot of other silver as well. Do you want to take this extra opportunity for employment in refining foreign silver away from us, when it will do nobody any good?

Mr. LEAVITT. I do not. I want to aid the employment of American miners in American mines instead of Mexican miners in Mexican mines.

Mr. LEHLBACH. The price of a commodity that is used throughout the world, and the greater portion of its production in this country is exported, will not be enhanced to its American producers by a tariff duty. This proposition we have heard reiterated countless times in the course of this debate. Thus the proposed duty on silver would not result in higher prices to the miner. But assuming it did, what would be the result? It would make the cost of manufacture of silverware and commercial articles into which silver enters so high that we could not compete with the foreigners, and the market which the silver producers now have in this country, the silversmiths and the silver manufacturers would be depressed and decreased. With this cut in the demand the price would necessarily fall, and the silver miner would be worse off than before. The silver people have to be saved from their own folly in bringing forward this fallacy.

Another proposition is that silver in India, in China, and in Mexico is used as a medium of exchange, and their currency is based on it.

Mr. LEAVITT. Will the gentleman yield?

Mr. LEHLBACH. I only have one minute remaining.

When they buy our manufactures in China they pay in their money, and their money comes in not as coin but as a commodity. It is worth exactly what the silver in it is worth, and if you place a duty on it you decrease the purchasing power of China and Mexico and India of the manufactures and farm products of the United States.

Furthermore, you depreciate the currency of silver countries when you make their money worth less at the ports of this country, thereby depreciating the cost of production of those countries and increasing the competition of the cheapest kind of pauper labor with American manufacture.

This proposition has no merit whatsoever, and as I stated before, it is up to this House to save the deluded silver miners from themselves. [Applause.]

The SPEAKER. The time of the gentleman from New Jersey [Mr. LEHLBACH] has expired.

Mr. HAWLEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Nevada [Mr. ARENTZ] to recede and concur in the Senate amendments.

The question was taken; and on a division (demanded by Mr. ARENTZ) there were—ayes 72, noes 202.

So the motion to recede and concur in the Senate amendments was rejected.

Mr. HASTINGS. Mr. Speaker, what becomes of the motion of the gentleman from Oregon [Mr. HAWLEY]?

The SPEAKER. The Chair will state that it was not necessary to put the motion of the gentleman from Oregon, as the motion to recede and concur having been defeated, that is tantamount to agreeing to a motion to further insist.

On motion of Mr. HAWLEY, a motion to reconsider the vote by which the motion to recede and concur was rejected was laid on the table.

The SPEAKER. The Clerk will report the next amendment. The Clerk read as follows:

Amendment No. 369: Page 122, strike out all of lines 11, 12, 13, 14, and 15, being the language:

"PAR. 401. (a) Logs of fir, spruce, cedar, or western hemlock, \$1 per thousand feet board measure, except that such logs imported to be used in the manufacture of wood pulp shall be exempt from duty under regulations prescribed by the Secretary of the Treasury."

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent that amendments 369, 370, 371, 372, 373, 376, 1035, 1091, 1092, 1093, and 1095 be considered together for the purpose of debate, as they all relate to the subject of lumber or shingles, and that the time be limited to two hours, one half to be controlled by the gentleman from Mississippi [Mr. COLLIER] and the other half by myself.

The amendments referred to are as follows:

Amendment 370: Page 122, line 16, strike out lines 16, 17, and 18, being the language:

"(b) Cedar, except Spanish cedar: Boards, planks, deals, laths, siding, clapboards, ceiling, flooring, ship timber, and other lumber and timber, 25 per cent ad valorem."

Amendment 371: Page 122, line 19, add a new paragraph reading as follows:

"PAR. 401. Timber hewn, sided, or squared, otherwise than by sawing, and round timber used for spars or in building wharves; sawed lumber and timber not specially provided for; all the foregoing, if of fir, spruce, pine, hemlock, or larch; railroad ties, and telephone, telegraph, trolley, and electric-light poles of any wood; all the foregoing, \$1.50 per thousand feet board measure, and in estimating board measure for the purposes of this paragraph no deduction shall be made on account of planing, tonguing, and grooving: *Provided*, That there shall be exempted from such duty boards, planks and deals of fir, spruce, pine, hemlock or larch, in the rough or not further manufactured than planed or dressed on one side, when imported from a country contiguous to the continental United States, which country admits free of duty similar lumber imported from the United States."

Amendment 372: Page 123, line 9, strike out lines 9, 10, 11, and 12 and insert in lieu thereof the following:

"PAR. 402. Maple (except Japanese maple), birch, and beech: Flooring, 8 per cent ad valorem."

Amendment No. 373: Page 123, line 15, strike out lines 15 and 16, being the language:

"PAR. 403. Shingles of wood, 25 per cent ad valorem."

Amendment No. 376: Page 123, line 25, strike out line 25, and on page 124, lines 1 and 2 down to and including the word "timber" and insert the following: "and Japanese maple: In the form of sawed boards, planks, deals, and all other forms not further manufactured than sawed, and flooring, 15 per cent ad valorem."

Amendment 1035: Page 283, line 5, insert the following language:

"PAR. 1764. Shingles of wood."

Amendment 1091: Page 290, line 10, strike out all of lines 10, 11, 12, 13, 14, 15, 16, 17, and 18 and insert the following:

"Wood: (1) Timber hewn, sided, or squared, otherwise than by sawing, and round timber used for spars or in building wharves; sawed lumber and timber, not further manufactured than planed, and tongued and grooved; all the foregoing not specially provided for: *Provided*, That if there is imported into the United States any of the foregoing lumber, planed on one or more sides and tongued and grooved, manufactured in or exported from any country, dependency, province, or other subdivision of government which imposes a duty upon such lumber exported from the United States, the President may enter into negotiations with such country, dependency, province, or other subdivision of government to secure the removal of such duty, and if such duty is not removed he may by proclamation declare such failure of negotiations, and in such proclamation shall state the facts upon which his action is taken, together with the rates imposed, and make declaration that like and equal rates shall be forthwith imposed as hereinafter provided; whereupon, and until such duty is removed, there shall be levied, collected, and paid upon such lumber, when imported directly or indirectly from such country, dependency, province, or other subdivision of government, a duty equal to the duty imposed by such country, dependency, province, or other subdivision of government upon such lumber imported from the United States."

Amendment 1092: Page 291, line 20, strike out the words "There shall," in line 20, and all of lines 21, 22, and 23, being the language:

"There shall not be classified under this paragraph any form of cedar or of any wood enumerated in paragraph 402 or 405, except maple and birch logs."

Amendment 1093: Page 291, line 24, insert a new paragraph, to read as follows:

"(2) Logs; timber, round, unmanufactured; pulp woods; firewood, handle bolts, shingle bolts; gun blocks for gunstocks, rough hewn or sawed or planed on one side; and laths; all the foregoing not specially provided for."

Amendment 1095: Page 292, after the word "Posts," strike out the following: "railroad ties and telephone, trolley, electric light, and telegraph poles."

The SPEAKER. The gentleman from Oregon [Mr. HAWLEY] asks unanimous consent that amendments 369, 370, 371, 372, 373, 376, 1035, 1091, 1092, 1093, and 1095 be considered together for the purpose of debate, and that the time be limited to two hours, one half to be controlled by the gentleman from Oregon [Mr. HAWLEY] and the other half by the gentleman from Mississippi [Mr. COLLIER]. Is there objection?

Mr. RAMSEYER. Mr. Speaker, reserving the right to object—and I may object—this is a problem that peculiarly interests the Middle West, and the division of time under unanimous consent proposed by the gentleman from Oregon [Mr. HAWLEY] will be controlled by the South and the far West. I think there should be a different division of time. There are a few of

us from the Middle West who want to be heard on this proposition, and we want to be heard in our own time and have control of such time as the House sees fit to give us.

I hope the gentleman from Oregon [Mr. HAWLEY] will suggest some other arrangement for controlling the time.

Mr. CRISP. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. CRISP. Has it ever been the practice of this House in dividing time to take into consideration the geographical sections of the country in determining who is to control the time?

Mr. RAMSEYER. In dividing time the House usually meets the peculiar situation that exists at the time. There is no hard and fast practice in allotting time. I do not know what the attitude of the gentleman from Mississippi is on these amendments. He may be for some and against some, or for all or against all. I am for practically all of the Senate amendments, and I think that side ought to have full opportunity to be heard. The practice of the House in dividing time is to divide it equally between those who are in favor of and those who are opposed to a proposition and it is not always divided on party lines.

Mr. COLLIER. Mr. Speaker, reserving the right to object—which I shall not—I wish to state that I think perhaps I can obviate the geographical objection which the gentleman from Iowa has brought forward. I will state first, though, that I am against any tariff on lumber, if the gentleman wants to know what my position is. [Applause.] However, I want the gentleman from Oregon to change his request, and strike out the words "Mr. COLLIER" in his request and insert the words "Mr. RAINEY." I want the unanimous-consent request of the gentleman from Oregon to read that all the time on the minority side on the lumber schedule shall be controlled by and in charge of the gentleman from Illinois [Mr. RAINEY]; and as he is from the great Middle West, that may obviate the difficulty which is now confronting the gentleman from Iowa.

Mr. RAMSEYER. Mr. Speaker, further reserving the right to object, it might clarify matters if the gentleman from Oregon [Mr. HAWLEY], in charge of the bill, would at this time indicate the motions he intends to make on each of the amendments. Then we will know better just what the issues are and what length of time may be required.

Mr. HAWLEY. If the unanimous-consent request just preferred is granted, I will then ask that amendment No. 371, the Senate amendment imposing a duty on lumber, be taken up first and voted on first; that amendment No. 373, the amendment relating to shingles, be voted on second; and that the rest of the amendments in the lumber paragraph be disagreed to and sent back to conference.

Mr. RAMSEYER. Then do I understand that on amendment No. 369 the gentleman from Oregon proposes to make a motion to nonconcur?

Mr. HAWLEY. Yes.

Mr. RAMSEYER. And on amendment No. 372 a motion to nonconcur?

Mr. HAWLEY. Yes; the same motion.

Mr. RAMSEYER. On amendment No. 371 a motion to concur?

Mr. HAWLEY. With an amendment.

Mr. RAMSEYER. What amendment?

Mr. HAWLEY. Making the duty 75 cents a thousand instead of \$1.50, and striking out the words "railroad ties and telephone, telegraph, trolley, and electric-light poles."

Mr. RAMSEYER. We are progressing and getting enlightenment. On amendment No. 372 there is simply a difference between the House rate and the Senate rate?

Mr. HAWLEY. Yes.

Mr. RAMSEYER. On the shingle amendment, No. 373—

Mr. HAWLEY. On that I propose to recede and concur in the Senate amendment, with an amendment making the rate 15 per cent instead of 25 per cent.

Mr. RAMSEYER. On Senate amendment No. 1035 I presume the gentleman intends to move to nonconcur?

Mr. HAWLEY. On all the others, except the two I have mentioned, on lumber and shingles, I intend to move to nonconcur and send them back to conference, and to be considered in view of the action taken by the House on amendments No. 371 and No. 373.

Mr. RAMSEYER. That, of course, presents as intense and as vital an issue as could be presented here to-day, and I think we ought to have more debate. I will tell the gentleman from Oregon and the House that two of us on this side would, together, like to have 45 minutes. In view of the attitude of the gentleman from Oregon, which probably will be the attitude of the majority of the House, if the gentleman from Oregon will modify his unanimous-consent request so that we can get time to present our views, I shall not object. The idea is that when we get through with the debate we will take up one amendment right after the other and vote on them.

Mr. HAWLEY. May I ask the gentleman a question?

Mr. RAMSEYER. Certainly.

Mr. HAWLEY. It has been my intention, as stated yesterday, if the hour were conceded to this side, to reserve half of it for the duty on lumber and shingles and to give the other half of it to the gentleman from Iowa and one or two others, who are opposed to these duties, on this side of the aisle.

This is an equal division of the time. In view of the statement made by the gentleman from Mississippi [Mr. COLLIER] that all the time on that side of the aisle will be controlled by some one opposed to the duties, would the gentleman not be satisfied if he could obtain 15 minutes from the other side?

Mr. RAMSEYER. If we can have that agreement and the gentleman from Oregon will yield the time—I hope I am not immodest when I say to myself—and the gentleman from Illinois [Mr. RAINEY] will yield me 15 minutes—

Mr. HAWLEY. I would like to have it understood that the gentleman from Massachusetts [Mr. TREADWAY] is to have five minutes on the opposition side. I understood the gentleman from Mississippi to say a moment ago that the time on his side would be in the control of the gentleman from Illinois [Mr. RAINEY], who is opposed to the duty.

Mr. COLLIER. Yes.

Mr. HAWLEY. Would the gentleman be willing to yield 15 minutes to the gentleman from Iowa [Mr. RAMSEYER]?

Mr. COLLIER. I would be willing to yield any amount of time to the gentleman from Iowa provided it meets with the approval of the gentleman from Illinois. I have turned over all the time to him and I have nothing more to do with it.

Mr. HENRY T. RAINEY. I will be pleased to yield the gentleman five minutes.

Mr. TILSON. Would the gentleman from Illinois object to adding 15 minutes to the total amount of time and put it in the control of the gentleman from Iowa?

Mr. HENRY T. RAINEY. I would be willing to have that done. Does the gentleman mean 15 minutes on a side?

Mr. TILSON. No; instead of the gentleman yielding any of his time, let us add 15 minutes to the total amount of time and put it at the disposal of the gentleman from Iowa.

Mr. HENRY T. RAINEY. I am willing to do that.

The SPEAKER. The Chair understands that the request of the gentleman from Oregon now is that the two hours of time be equally controlled by himself and the gentleman from Illinois, and that the additional 15 minutes be given to the gentleman from Iowa [Mr. RAMSEYER].

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent that the time be limited to 2 hours and 15 minutes, 1 hour to be controlled by the gentleman from Illinois [Mr. RAINEY] and 1 hour and 15 minutes by myself, with the understanding that I will yield 45 minutes to the opposition on this side; the extra 15 minutes to go to the gentleman from Iowa [Mr. RAMSEYER].

The SPEAKER. The gentleman from Oregon asks unanimous consent that debate on the amendments be limited to 2 hours and 15 minutes, 1 hour to be controlled by the gentleman from Illinois, 1 hour and 15 minutes by the gentleman from Oregon, with the understanding that the additional 15 minutes will be yielded to the gentleman from Iowa [Mr. RAMSEYER] by the gentleman from Oregon. Is there objection?

There was no objection.

Mr. HAWLEY. Mr. Speaker, I present the following motion on amendments 371 and 373.

Mr. RAMSEYER. Mr. Speaker, a point of order—

The SPEAKER. The Chair does not think that motion is in order at this time unless consent is given to take the amendments up out of order.

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent that, at the conclusion of the debate, we vote on amendment 371 first and follow that by a vote on 373.

The SPEAKER. What disposition does the gentleman intend to make of amendments 369, 370, and 372?

Mr. HAWLEY. I will then ask unanimous consent that all the other amendments be disagreed to and returned to conference.

The SPEAKER. The gentleman from Oregon asks unanimous consent that the vote first be taken on amendment 371, and, second, on 373, and states he will then offer a motion with regard to the rest of the amendments.

Mr. CHINDBLOM. And then take up the remaining amendments in order?

The SPEAKER. The gentleman also asks unanimous consent that the House insist on its disagreement to the remaining amendments regarding wood.

Mr. CHINDBLOM. The gentleman is not now asking for a disagreement. I understand he is asking that a vote be taken first on amendment No. 371 and then on No. 373 and then upon the remaining amendments in order. Then he may make whatever motion he likes.



Mr. RAMSEYER. Mr. Speaker, reserving the right to object, I think we can expedite this matter. The logical way to take this up is, first, beginning with logs, and for the present at least I shall object to any unanimous-consent request to take a vote on these various items in any other order except as they appear in the conference report.

The SPEAKER. As the Chair understands, the request of the gentleman from Oregon is only to take up out of order amendments Nos. 371 and 373 and that the others be voted on in their order.

Mr. RAMSEYER. For the present I object to any unanimous-consent request to consider any of them out of their order.

The SPEAKER. Does the gentleman from Iowa object to amendment No. 371 being taken up out of its order?

Mr. RAMSEYER. Yes; Mr. Speaker, I object.

Mr. CHINDBLOM. Mr. Speaker, I ask unanimous consent that the chairman of the committee may now present his proposed amendments or his proposed action upon amendments Nos. 371 and 373 for information.

The SPEAKER. The Clerk will read the amendments proposed by the gentleman from Oregon, which will be considered as pending.

The Clerk read as follows:

Amendment by Mr. HAWLEY: Amendment No. 371: Mr. HAWLEY moves that the House recede and concur in the Senate amendment No. 371 with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"PAR. 401. Timber, hewn, sided or squared, otherwise than by sawing, and round timber, used for spars or in building wharves; sawed lumber and timber not specially provided for; all the foregoing if of fir, spruce, pine, hemlock, or larch, 75 cents per thousand feet, board measure, and in estimating board measure for the purposes of this paragraph no deduction shall be made on account of planing, tonguing, and grooving: *Provided*, That there shall be exempted from such duty boards, planks, and deals of fir, spruce, pine, hemlock, or larch, in the rough or not further manufactured than planed or dressed on one side when imported from a country contiguous to the continental United States, which country admits free of duty similar lumber imported from the United States."

Mr. RAMSEYER. Reserving the right to object, was this read for information or is it being offered?

The SPEAKER. The Chair thinks that under the circumstances debate should take place before the amendments are offered. While it is true that consent was refused to vote on amendment 371 first, the Chair thinks it would be proper to consider the amendments having been offered and a motion to amend would be in order.

Mr. COLLIER. Mr. Speaker, I would like to ask the gentleman from Oregon a question. Boiled down your amendment simply does this: Where the duty on lumber is \$1.50 you put it at 75 cents and your amendment cuts out the duty placed on railroad ties and telephone, telegraph, and electric light, and other poles?

Mr. HAWLEY. Yes.

Mr. HENRY T. RAINEY. Mr. Speaker, I move that the House recede and concur in Senate amendments 369, 370, and 373.

The SPEAKER. The gentleman from Illinois moves to recede and concur in Senate amendments 369, 370, and 373.

Mr. HENRY T. RAINEY. And I move that the House insist on its disagreement to amendment 371.

Mr. RAMSEYER. Will the gentleman yield to me?

Mr. HENRY T. RAINEY. Yes.

Mr. RAMSEYER. If the gentleman is offering an amendment to concur, why does he not move to concur in Senate amendments 1035, 1091, 1092, 1093, and 1095?

Mr. HENRY T. RAINEY. That will follow as a matter of course.

Mr. RAMSEYER. The Speaker has indicated that the motions ought to be made now.

Mr. HENRY T. RAINEY. Then I will include that in my motion.

The SPEAKER. The Chair is inclined to think, on reflection, that perhaps the best method in this particular case is to debate the amendments en bloc and after debate is over for the various motions to be made, and, of course, no debate would be had following the motions.

Mr. RAMSEYER. The motions will be made as the Senate amendments are called up?

The SPEAKER. Yes; except by unanimous consent.

Mr. CHINDBLOM. Then, Mr. Speaker, I renew my request that the several motions be made now for the information of the House.

The SPEAKER. The Chair thinks that that might defeat the purpose the Chair is trying to accomplish.

Mr. CRISP. I object to that request, Mr. Speaker. I think the way the Speaker has outlined it is the best way out of this complicated case.

The SPEAKER. The Chair will state without objection that debate upon these various amendments will cover all the amendments, that it be limited to 2 hours and 15 minutes, 1 hour to be controlled by the gentleman from Illinois [Mr. RAINEY], and 1 hour and 15 minutes by the gentleman from Oregon, with the understanding that he yield 15 minutes to the gentleman from Iowa [Mr. RAMSEYER]; after which time the various motions will be offered.

Mr. HAWLEY. Mr. Speaker, when this matter came up, in reply to inquiries by the gentleman from Iowa, I stated that I would call up for vote amendments 371 and 373, and we would have debate on them, and agreed to the proposal that we have 2 hours and 15 minutes' debate, which would be 135 minutes. We only reserved to those who were favorable to the proposition of a duty on lumber and shingles 30 minutes, and by this refusal to consider them the opponents have 105 minutes, which is manifestly unfair.

Mr. CRISP. Mr. Speaker, may I say to the gentleman from Oregon that we have no disposition whatever to limit debate. We are willing to extend the time so as to give the gentleman all of the time that he desires.

The SPEAKER. Is there objection to the request the Chair just made, with the understanding that it was the original request of the gentleman from Oregon?

Mr. WINGO. Mr. Speaker, reserving the right to object, as I understand it, and possibly the interpretation of the gentleman from Oregon will be different, his suggestion is that we vote on two of these amendments together.

The SPEAKER. Objection was made to that.

Mr. HAWLEY. We would debate them together but vote on them separately.

Mr. WINGO. That is the point. I want to vote separately on some of these amendments.

The SPEAKER. This is only as to the question of debate.

Mr. WINGO. The gentleman said that he would agree to that, with the understanding that they would vote on 371 and 373 first. I do not care when they vote on them, just so long as there is a separate vote on 371 and 373. That is the point that I had in mind.

The SPEAKER. Is there objection?

Mr. RAMSEYER. Mr. Speaker, I do not know just what the request is.

The SPEAKER. The Chair will state again his understanding and ask if there is objection—that the debate on these amendments be limited to 2 hours and 15 minutes, that debate to cover all of the amendments in their order; that one hour of the time be controlled by the gentleman from Illinois [Mr. RAINEY] and one hour and a quarter by the gentleman from Oregon [Mr. HAWLEY], with the understanding that he will grant 15 minutes to the gentleman from Iowa [Mr. RAMSEYER], after which time the amendments may come in their proper order or in any order that the House may determine, but that there shall be no debate on these motions when made. The debate is to cover the merits of the whole proposition.

Mr. HAWLEY. Mr. Speaker, reserving the right to object, when I made that suggestion it was in view of having votes on 371, the lumber paragraph, and 373, the shingles paragraph, at first, at the conclusion of the debate. There will be under the arrangement of 60 minutes on the other side of the aisle against the proposition, 45 minutes on this side against these two items, and 30 minutes in favor of them. Now, take only 30 minutes allotted in favor and 105 minutes to the opposition makes a nullification of any opportunity to present the case, and it seems to me manifestly unfair.

Mr. CRISP. Mr. Speaker, I do not get the logic of the gentleman's position. As I understand, the sole thing we are considering now is to how much debate we shall have on all the amendments dealing with lumber and shingles, and the agreement was, when the time was agreed upon, that gentlemen who were recognized would debate any of the amendments dealing with all of this subject matter. Therefore, when the gentleman asks for an hour on this side and an hour for himself and 15 minutes for the gentleman from Iowa, I can not conceive how which amendment you vote on first has anything to do with the time that you are willing to devote to debate on all of them.

Mr. HAWLEY. It was my understanding that the proposal was to have two hours for general debate—and that was changed to 2 hours and 15 minutes—on amendments 371 and 373, and that when we disposed of them we were to take up the other amendments.

Mr. CRISP. And accord additional time for debate upon them?

Mr. HAWLEY. If the House would not agree to send the other amendments to conference without discussion, then they could be taken up and discussed and voted on subsequently, but these two are the key amendments in the proposition.

Mr. CRISP. If the gentleman's idea was to have the two hours of debate for those with a subsequent understanding that there should be additional debate on the others, of course, that presents a different proposition, but I thought the proposition was that the 2 hours and 15 minutes debate was to be on all amendments dealing with the subject of wood.

Mr. HAWLEY. I said, if I remember correctly, that after 371 and 373 were disposed of I would then ask unanimous consent that the others be disagreed to and sent to conference, but that any Member could prevent that by an objection, so that no right of the House would be impaired.

Mr. CRISP. Is it the intention of the gentleman that debate shall be extended on the other amendments?

Mr. HAWLEY. It is for the House to decide. I am willing to send them to conference, to work them out in conference, but if the House desires to vote on them now, that could be done under the proposal I have submitted.

Mr. CRISP. Personally I shall not object to any plan the gentleman wishes, but the understanding was for 2 hours and 15 minutes to embrace all of them.

Mr. RAMSEYER. Why not ask for a half hour more? I think those in favor of the duty are entitled to as much time as those opposed to it.

Mr. SABATH. Mr. Speaker, in view of the statements that have been made I feel that there should be an arrangement made by which these six other amendments would be explained, say, for five minutes on a side. I recognize that the Ways and Means Committee is familiar with each and every amendment, but I venture to say that a great majority of the Members of the House do not quite comprehend all of the other amendments, outside of amendments 371 and 373, and when we reach the other amendments I think the chairman owes it to the House to explain at least to the extent of five minutes what each and every amendment is, and especially in view of the fact that we will have a separate vote on them.

Mr. HAWLEY. This proposition can be easily solved if the opposition would agree to take up 371 and 373 first and debate on and decide them now and then take the others up afterwards.

Mr. RAMSEYER. I think that is not the logical way. My objection to the gentleman's suggestion that we take up first Senate amendments 371 and 373—371 is the Senate amendment on hewn logs and sawed lumber, and so forth.

Senate amendment No. 371 is an amendment on hewn timber and one thing and another. I stated that I did not think that is a logical order in which to proceed. We ought to take up No. 369, which is logs. Then the other, No. 370, is cedar lumber; then the next, No. 371, is the Jones amendment. That is my reason for objecting a while ago to considering the amendment on timber and telephone poles and shingles and then going back to your logs. I think I shall continue to object to requests of that kind.

Mr. BANKHEAD. Mr. Speaker, in view of the statement just made by the gentleman from Oregon [Mr. HAWLEY], I imagine it is his purpose to object to a unanimous-consent arrangement, for the reason that it does not now appear to the gentleman that it will carry out his original intention as to fairness in the distribution of time. I demand the regular order.

Mr. RAMSEYER. Mr. Speaker, I think the request for unanimous consent has been agreed to, but I ask that the time already allotted to the gentleman from Oregon be increased by 30 minutes. I make this further suggestion that as each amendment is proposed, 10 minutes on a side, for and against the amendment, be allowed.

Mr. HAWLEY. What amendment?

Mr. RAMSEYER. All the amendments. First, we closed general debate. My request goes to the giving to the gentleman from Oregon 30 additional minutes. Then I suggest that as section 369 comes first, 10 minutes on a side be allowed on that particular amendment, or 5 minutes, to comply with the suggestion of the gentleman from Illinois [Mr. SABATH].

Mr. HENRY T. RAINEY. Reserving the right to object, Mr. Speaker, I understood the gentleman's proposition is now to give the gentleman from Oregon 1 hour and 45 minutes and this side 1 hour. I do not think that would be fair.

Mr. RAMSEYER. What part of the hour does the gentleman intend to use on free lumber and logs? Does the gentleman propose to divide his time?

Mr. HENRY T. RAINEY. I do not know how it will be divided, but I will yield to everybody on this side, for or against it.

Mr. RAMSEYER. The suggestion was that the gentleman from Illinois should have an hour and I have 45 minutes, and the gentleman from Oregon half an hour. I do not think that would be fair. My suggestion goes on the assumption that the gentleman from Illinois is going to use his time for free logs and free lumber, and I ask that the gentleman from Oregon be given 30 minutes additional.

Mr. HENRY T. RAINEY. I will yield to gentlemen, for or against free logs on this side.

Mr. BANKHEAD. Mr. Speaker, I ask for the regular order. The SPEAKER. The regular order has been changed very much by recent developments. Has the gentleman from Oregon a proposition to make?

Mr. HAWLEY. I ask unanimous consent that debate on all the items in dispute in this schedule be limited to two hours and a half; that one hour be given to the gentleman from Illinois [Mr. HENRY T. RAINEY], one-half hour given to the gentleman from Iowa [Mr. RAMSEYER], and one hour given to myself.

The SPEAKER. The gentleman from Oregon asks unanimous consent that in the debate on all the wood items the time be limited to two hours and a half; one hour to be controlled by the gentleman from Illinois, one hour by the gentleman from Oregon himself, and one-half hour by the gentleman from Iowa. Is there objection?

There was no objection.

Mr. HAWLEY. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendment 369.

The SPEAKER. That comes after the debate is over.

Mr. HAWLEY. I understood the Speaker to say it should be before.

The SPEAKER. That is not in accordance with the general order.

Mr. HAWLEY. I yield 10 minutes to the gentleman from Washington [Mr. JOHNSON].

The SPEAKER. The gentleman from Washington is recognized for 10 minutes.

Mr. JOHNSON of Washington. Mr. Speaker and Members of the House, it must be apparent to all, from the difficulties just experienced in the efforts to fairly divide the time for and against these several items in the wood schedule—four or more—that we have not received a fair division for the reason that one schedule involves more or less another. The first schedule to be considered, if the order is to be strictly followed, is that in the paragraph with regard to the duty on logs. This tariff, in my opinion, is important, in that it carries out the fundamental principle of the protective tariff system. We have a log tariff now under certain conditions. I favor the continuance of that duty. To vote for Chairman HAWLEY's motion will be to keep that small tariff. But, Mr. Speaker, the lumber manufacturers of Puget Sound import a very small percentage of duty-paying logs from British Columbia, not over 2 per cent, according to the statement of Mr. Ripley, of the Wheeler-Osgood Co., Tacoma, page 2684 of the House hearings, January 17, 1929. He says that this importation does not in any way disturb the log market or affect log prices in Washington. So to vote for the \$1 log tariff should not disturb anyone, even though this particular item is more peculiarly a State-of-Washington matter than other items in the wood schedule, for the South, the Gulf States, and the Atlantic States have vital interests in the others.

But the question of a log tariff is up; it must be voted on. Some economists would treat the log as a raw material. But it is not, strictly speaking. The felling of the log in the woods, the trimming of it, the cutting of it into lengths, and the carrying of it to the market all involve labor cost, all of which must be added to the original cost of the timber. Now, the original tree in the forest has costs, too—taxes, fire protection, and all that. It is not a free gift.

The question of the tariff on the log is as old as the question of the tariff on the hide, that makes the leather, that makes the saddles and the shoes. We have all heard the arguments for tariffs on hides, combined with the arguments by the same people for no tariff on leather. Well, that will not work, and we have those out in the Pacific Northwest who argue for free logs and ask for a tariff on the manufactured lumber. Each and all of you have received dozens and dozens of letters along that line. But please do not let those letters confuse the situation. The manufacturers need the protection badly, as we hope to show.

We feel that even the small tariff of 75 cents a thousand feet on lumber is vitally necessary because of the seriously depressed condition of the lumber industry, the lower-cost foreign competition, the impending heavy increase in lumber imports from Russia, and the necessity of maintaining continuity of employment of labor in localities where no other employment is available.



In this connection I call attention to the letter of the National Lumber Manufacturers' Association of April 28 and their resolutions, which I can only mention but will append. They call attention to the fact that lumber manufacture is the third greatest industry; to the lower costs of production in both Canada and Russia, and to our restrictions under coastwise shipping laws. Gentlemen, our costs and handicaps are considerably greater, all of the charts and tables that will be presented to the contrary notwithstanding.

You will be shown a lot of charts and tables in an effort to make you believe that on the United States side of the line, in the Pacific Northwest, we are giants and that our Canadian competitors are mere pigmies. Well, competitive conditions are somewhat the same, except that there is a very much larger population in western Washington than there is in British Columbia. We have 10 big mills for every 2 over the line. British Columbia, everything else being equal, would like to keep its logs at home and have them manufactured there into lumber, and then send that lumber into the great markets of the United States without any duty. So Canada checks the export of logs by an export duty. Canada wants more big mills, and can only maintain them if she can enjoy the benefits of our great market without a tariff. That is why this great fight. That is why this great Canadian-abetted lobby has been maintained here in Washington for months and months, working day and night. That is why there has been more mail sent to all the Members on this item than on any other 10 items in the whole tariff bill. I will state it more simply. To me it is clear that those who are making this fight for free importation of these items in the log and lumber industry are those who have got their bread buttered on the wrong side—American capital invested in Canada to the extent of almost \$500,000,000.

Once they are there with that capital, how fine for them if they can have a free market in the United States, with its 120,000,000 people. Uncle Sam is their Santa Claus.

Do not delude yourselves, you Members from the big agricultural districts. Your constituents will get neither lumber nor shingles 1 cent cheaper. Free trade all these years has about put the Pacific Northwest out of competition in your localities. You lose. We lose. We must go more and more into the foreign-cargo business, and from the charts hanging out there in the Speaker's corridor, that Iowa and Minnesota even begrudge us that great and increasing export business. But not so—not Minnesota and Iowa—but Americans with interests in Canada making a big noise by way of the upper Mississippi Valley. For these investors in Canada it is a practical proposition. Their investment is over in Canada. Their market is over here in the United States. Canada has 10,000,000 people; we have more than 120,000,000. Why, it is better than reciprocity. It is the whole works, with none of the drawbacks or offsets.

How would it be if four or five hundred million dollars of American capital should go up north of Minnesota or north of Wisconsin, into Canada and organize a great dairy industry for the making of butter, cheese, dried milk, and fresh milk, and once having that organization and the industry building and advancing, then organize great propaganda to demand the free import of that product into the United States?

What would Wisconsin say? What would Minnesota say? What would the Dakotas say? Locate it across from Buffalo and what would New York say? They would protest just as all of us on both sides of the aisle now protest when we hear that Henry Ford has gone to Ireland to make automobiles and parts to send back here, or when we hear that some great Chicago department-store industry has gone to Japan and set up American machinery there to make shirts and caps and other articles to send back to this country, made with that cheaper outside labor. And the Shevlins, the Carpenters, the Bloedels, and others with their money invested in Canada have actually asked our Pacific Northwest manufacturers of lumber to write the letters they have sent to all of you asking for free logs to butter their Canadian bread for them. What do they care if the Washington and Oregon manufacturers jeopardize their chances for a tariff on manufactured lumber? Can not the lumber then come in free? They can not lose. Our American citizens, owners, workers, taxpayers can lose, and if they do lose they should know that they have been cat's-paws and nothing else.

You have read the charts out in the hall. You noticed that they called attention to the great exports from the State of Washington—Japan, China, Australia, South America, and to other foreign countries—as compared with similar exports to these foreign countries from Canada. They ask why. They print on their Canadian-inspired charts that our costs are less. That is not the reason. The true answer is simple. In Washington and Oregon we have many times the population of

British Columbia; many times the number of mills. Our industry is older.

In the hard competition, the North Pacific has lost more and more of the Middle West market. It has been driven more and more into the great world competition. Having more mills, more men, and more necessity, we have earned foreign business. Do they begrudge us that? It seems so. The fight has become so personal, so bitter that they want us to starve to death.

Mr. Speaker, it is stated on these charts that inasmuch as Canada is one of our best buyers, we should be "open house" for Canada—that open house for lumber, but not for anything else. They say Canada will retaliate. Why Canada has lumber tariffs now, and every other kind of tariff that she can put on against the United States. My friends, I am firmly of the belief that the great trouble with Canada is that while that friendly neighbor of ours has tried its best to carry its protective tariff laws as far as it can, Canada, by being required to hold free-trade relation with its mother country, England, can not get well under way as a manufacturing country. Year by year Canada will grow in general manufacturing; will grow away from free trade with England, and will compete more and more with United States manufactures. That being the case, I think it is our right to try to keep the lumber and all other industries on this side of the line. In the district in which I live, and which I have the honor to represent, in the last 15 years hundreds of shingle mills have gone down and out. As many have opened up in Canada. In the little city where I live, a little city of 14,000 people, there are to-day hundreds of heads of families who have had no work since Christmas. And the mills are still shutting down. Overproduction, loss of markets, collapse of the lumber industry. It is not pleasant.

Telegrams indicate that in an effort to curtail overproduction there will be in a few weeks' time many thousands out of work in western Washington. Must we continue to divide a shattered market? But we have struggled through other greater depressions. We have been badly treated by the protectionists in the past, but still we know the advantages of the protective-tariff theory. We want you to prosper, but if you drive us on to the verge of bankruptcy and unemployment we can not buy the Iowa hams, the Massachusetts blankets, or the Connecticut hardware. You do not realize it, but as we sink you get the backwash sooner or later, and as you have more population in the factory cities, you get the greatest political kick-back. Your people can not go to the fields and fisheries. We have done it before and can do it again. We suffer in a land of opportunity and plenty. Take your protective tariffs, give us none, and you are the loser in the long run.

My studies have led me to believe firmly that all the protective tariff bills ever enacted by the Congress have been good, more or less. British economists admit that the principle of the protective tariff has advanced the United States not less than 50 years ahead of every competing country, including Great Britain and Germany.

Mr. KORELL. Will the gentleman discuss comparative costs between the United States and British Columbia?

Mr. JOHNSON of Washington. Canada has the best of it on that. I hope the gentleman from Oregon [Mr. KORELL] will get time to discuss that in detail. I am so limited for time.

There came two weeks ago to Olympia Harbor in the district I represent a ship from Vladivostok, Russia, loaded with lumber for France. It was making a 12,000-mile trip to dump that Russian lumber onto France cheaper than France can get it from Sweden. The ship took on a few heavy timbers at Olympia, Wash., of a kind larger than easily found in Russia, as the timber there is more of the size of southern pine. That ship is a Pacific coast forerunner of the new competition. You will hear more of it in many lines—wheat, among others. Russian lumber is now in the New York market, unloaded at the Poughkeepsie yards which the West set up. What you pay for Russian lumber will buy nothing in the United States except some sawmill machinery with which to make more lumber to throw into the market against Pacific coast and against southern lumber.

In conclusion, it is my observation and belief that 70 per cent of all the logs, all the lumber, and all the shingles manufactured in British Columbia have at some time in the process of the work been handled more or less by Oriental labor. In Washington and Oregon we have stood from the beginning against Oriental labor of any kind, until at last we are practically without it. Once the Chinese, later the Hindus flocked in on us. They are now in British Columbia. They have become proficient, and better paid than formerly, but they work longer hours, they work cheaper, they live cheaper, and they help neither the community nor the industry. If this Canadian competition goes on, as it has been outlined and apparently desired by many, the industry in British Columbia will in-



crease rapidly, while the industry in Oregon, Washington, Idaho, and California will decline; more of our capital and more of our population will follow industry into British Columbia. Once there they will buy from London and Liverpool, and not from Minneapolis, New York, and New England. [Applause.]

I ask as a fair deal and as a general equity that you give us these tariffs, which are very modest and almost nothing as compared with the whole list. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Washington has expired.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Washington. Under permission granted I append in full the resolutions of the National Lumber Manufacturers' Association, to which I referred, and I regret that I can not use at this time other important resolutions from the labor and other organizations:

#### RESOLUTION IN FAVOR OF A TARIFF ON LUMBER IMPORTS

Whereas imports of lumber from Canada and Russia are contributing to the present universal, recognized depression in our industry; and

Whereas woods labor of western Canada is found by the United States Tariff Commission to be largely Oriental and therefore cheaper than American labor; and

Whereas Russian labor is practically forced labor, Russian timber has been taken from the owners without payment, and the Communist Soviet government operate without regard to any law or rule of God or man; and

Whereas our industry, the third largest in the United States, is entitled to equal treatment with all other industries; and

Whereas everything our industry buys is bought in a protected market; and

Whereas we ought not to be compelled to buy in a protected market and to sell our product without similar tariff protection; and

Whereas the cost of production is less in both Canada and Russia than in the United States; and

Whereas the United States coastwise laws place an additional burden on our industry and its products in the shipment of lumber from Washington, Oregon, and California ports to our Atlantic ports in competition with British Columbia; and

Whereas the farmers own more than 100,000,000 acres of forest land and are suppliers of timber and logs to the lumber industry to the extent of billions of feet annually: Therefore be it

*Resolved*, That the directors of the National Lumber Manufacturers' Association indorse and urge the adoption of the duty on lumber and lumber products in the tariff bill now before Congress; and be it further

*Resolved*, That a copy of this resolution be sent to each Member of the Senate and the House of Representatives of the Congress of the United States.

APRIL 25, 1930.

Mr. HENRY T. RAINEY. Mr. Speaker, I yield five minutes to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Speaker and my colleagues, I have given considerable thought to the question now before the House. I have had more communications and more telegrams from my own district requesting me to support a duty on lumber than for everything else in the tariff bill combined. Of course, I understand how those telegrams and letters originate. Propaganda from the lumber organizations.

I do not believe a tariff on lumber is required by the business, and I know if it might benefit one of my constituents it would injure hundreds. I appreciate the gravity that is going to confront the country when this tariff bill becomes a law. Therefore I am not going to vote for a duty on lumber or vote to add any other burden to the American people through this bill. It is crushingly burdensome to them as it is now.

I called attention yesterday as forcibly as I could to the danger to this country by these prohibitory tariff walls, stopping the importation of any goods into the United States. To-day only 4.7 per cent of all the goods consumed in this country are imported, and the greater part of those are things we do not produce in this country.

I called attention yesterday to the protests being made by the foreign nations, and in the press to-day you will read where the Government of Canada in its budget yesterday raised its tariff rates and raised them to be retaliatory equal to the rates in the present bill, with the statement that if this law goes into effect they will be raised to be on a parity with this law.

Canada is our best customer. One of the things we do get from Canada is lumber, and when you stop buying anything

from Canada you are going to lose one of your best customers. You can not blame them for the action they have taken, because that is human nature. Under their budget they are to give preferential tariff rates to other nations that give them preferential rates. Consequently commerce will go from those other nations to Canada, and America will lose one of her very best customers.

Gentlemen, you are carrying the tariff to a fanatical stage. You have got to think. Are we now having great Republican prosperity? If you would listen to the Members of this House talk about the unemployment in their districts you would not think we had much of the boasted Republican prosperity in this country.

Gentlemen, I fear this: If you stop all foreign market for your surplus goods, whether agricultural or manufactured goods, you are going to have more men out of employment in this country, because the factories are going to shut down.

With American efficiency and American mass production we are producing, agriculturally and industrially, more goods and commodities than we consume and selling them abroad. Our exports and imports have been reduced \$500,000,000 in the last three months of this year compared with three similar months in the last year. Gentlemen, stop and think. Stop and think.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. HENRY T. RAINEY. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. CRISP. Mr. Speaker, there is only one other thought and I am talking seriously. I am going to vote against the duty which some of my constituents have asked me to support. But I am not going to do it because I do not believe it best for them or best for the country. I was surprised at the silver vote a moment ago. I was surprised they did not give protection to silver. I voted against it, but when I consider what the Republican majority did with cement and everything else, I am surprised they took that one item and left it without a duty.

I will give you another instance of how high this tariff is and how wild the majority has gone with reference to the tariff. One of the three items which the Tariff Commission reduced was paintbrush handles under Mr. Coolidge's administration.

After an investigation by the Tariff Commission under the flexible clause the President reduced the duty from 33½ per cent to 16 per cent; but do you know that in this bill the Republican conferees have run it back up to 33½ per cent, notwithstanding the fact that Mr. Coolidge, after an investigation by the Tariff Commission, had reduced it to 16 per cent. That is but an illustration of it. Oh, my colleagues, one swallow does not make a summer, and a few months in business does not mean that there is prosperity in business. If you stop all importations of all commerce into this country, you will get the enmity of all the nations of the world; they will not deal with you, and business will be in a chaotic state. Thousands of our workmen now with jobs will be thrown out of employment and our economic condition will be made more intolerable than it is at present. Stop and think. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Georgia has again expired.

Mr. HENRY T. RAINEY. Mr. Speaker, I yield two minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Speaker, I am opposed to this proposed tariff on lumber. There are several reasons it seems to me to be unwise, and one particular reason is because we should conserve as far as possible the lumber supply of our country. If Canada is willing to cut her timber and send it in for our use, it seems to me we should let her do it. All the lumber that comes in from Canada saves our timber interests to that extent.

Lumber is used these days primarily in the construction of the homes of our people, mostly the homes of people of small means. This duty would add about \$138 to the lumber bill of the medium home. The great buildings and the homes of the rich are constructed mostly of fireproof material and substitutes for lumber, but the homes of the men of small means are constructed entirely of lumber. This is, therefore, no time to place an additional charge upon the bread-winner.

You speak of high wages and prosperity on the one hand, and then you endeavor by high protection to take away from the wage earner a large part of his salary. Lumber has been free for many years. We have been doing business with Canada in lumber and other products to the extent of \$948,440,000. While we have bought from Canada only \$503,447,000, showing an exact difference between what we have sold them and what we have bought of \$445,000,000 in our favor, we even export more lumber to Canada than she does to us. We sell to



Canada \$2 for lumber to every 60 cents Canada sells us, and yet these ultraprotectionists would place a duty on lumber.

Why should we strike at a country of our own blood, and our best customer? Moreover, there has been a constant cry for conservation, for reforestation, and other methods of prolonging our timber supply. To place a duty on lumber will mean the increased cutting of our forests and the rapid devastation of our timber.

We were called here to pass legislation in the interest of the farmer, and this bill is diametrically against it. The farmer buys 50 per cent of all our lumber and 75 per cent of all our shingles, so whatever duty is placed upon lumber will be more than half borne by the farmers, and the other half practically borne by the small home owner.

#### CEMENT

Yesterday we discussed the duty on cement. The House had placed a duty of 8 cents per 100 on cement, and the Senate reduced this to 6 cents. The agreement to concur in the Senate agreement making it 6 cents was agreed to. Thus you see that the ultraprotectionists have placed a duty on one of the great necessities of building and one of the ingredients which goes into so many things in the building of a home.

There are about 176,000,000 barrels of cement manufactured in the United States yearly, 39,000,000 of which are manufactured along the Atlantic coast. Only 3,000,000 barrels of cement was imported in 1929, so these ultraprotectionists propose to increase the price on 176,000,000 barrels of cement in order to keep out 3,000,000 barrels which were imported.

Cement at 70 cents per 100 pounds with a duty of 6 cents will likely increase the cement cost to the home builder more than 10 per cent. I am perfectly satisfied that there should be sufficient duty to equalize the difference in cost of production to maintain the standard of wages in this country, which I am in favor of maintaining, and if labor receives protection in an amount equal to this difference, I am sure it will be satisfied, but to place a duty on articles far in advance of this necessity of equalization is to take from the pockets of the people a tax which does not go into the Treasury of the United States to any extent, but rather into the hands of the manufacturers. For instance, it will not be the 176,000,000 barrels which will pay a duty to the Government, but only the 3,000,000 which were imported; the increase on the cost of the 176,000,000 by virtue of the duty will be velvet in the hands of the cement makers.

#### SUGAR

One of the most important articles in the tariff bill is sugar, because that touches the pocketbook of everyone. The House placed a duty of 2.40 cents on sugar. The Senate reduced it to 2 cents. The conference committee recommended a compromise of 2.20 cents. The House under the vote taken upon the conference report has instructed the conferees to agree upon 2 cents per pound for sugar. This reduction was accomplished by the Democrats and the Progressives of the House and will save the people \$60,000,000 per annum; and, even at the 2-cent rate, it will cost the people \$32,000,000 additional, which, together with the \$216,000,000 they are paying under the Fordney-McCumber tariff, will cost them \$248,000,000.

Surely it is an expensive proposition to keep the sugar bowl filled under the ultraprotectionists' tariff act. There has been no reason for this increase. The Government did not need this additional revenue because it has just lopped off \$160,000,000 on income tax early in the present session. This tax on the necessities of life is one which should be avoided whenever and wherever possible. It is a terrific burden upon the consumers who are hard pressed as it is.

#### BILLION DOLLAR BILL

It is estimated the bill in its entirety will cost the American people \$1,000,000,000 in addition to what they already pay. My colleague [Mr. CRISP] has well stated—

The mere words, a billion dollars, do not carry the magnitude of the amount. Let me give you this illustration: There has been only 1,020,000,000 minutes since the birth of Christ. Therefore, this bill adds to the burden of the American people an amount equal practically to \$1 for every minute that has elapsed since the birth of Christ.

Mr. CRISP is a member of the Ways and Means Committee and highly informed on the question of tariff taxation. Let me therefore give some further figures from his remarks:

Now, gentlemen, let me call your attention to a few of the schedules. You take cotton blankets. Under the existing law the duty is 25 per cent. In this bill it is increased to 52.20 per cent. Only 1 per cent of our production is imported and our exports are three times as much, yet the duty is doubled. Take wool blankets. The present rate is 61; it is increased to 67. The average importation of wool blankets amounts to \$480,000 out of a production of \$27,000,000. Take cloths and other heavyweight fabrics of wool, in the 1922 act 70 per cent, and in this

bill 84 per cent. We produce \$516,000,000 worth of these worsteds and the importations amount to \$17,000,000, yet an 84 per cent tariff is placed on them. Gloves. Thirty-four million pairs of men's gloves are produced in this country; we import 90,000, one-fourth of 1 per cent of our consumption, and they have raised the tariff on them to \$6 a dozen. Cotton shirts. We produce about \$240,000,000 worth; we import \$61,000 worth and export to the amount of \$2,000,000. They have increased the tariff from 35 to 45 per cent. Linoleums, which the Tariff Commission says we sell to 50 nations in the world. They have raised the tariff from 35 per cent to 42 per cent. Our production is \$42,000,000, our imports last year \$785,000, and our exports \$1,173,000. Slate, used for roofing and by school children. Our production, \$11,000,000, imports \$44,000, exports \$417,000. They have increased the tariff from 15 to 25 per cent.

Steam turbines: Mr. COLLIER has referred to them and stated that only one has been imported for a number of years, yet they increased the tariff from 15 per cent to 20 per cent. Umbrellas and parasols: Production, \$23,000,000; imports, \$152,000; exports, \$185,000; and they have increased the tariff. Mr. COLLIER has referred to jewelry, and I will not refer to it again. Manufactures of base metals: They have increased the tariff from 40 per cent to 45 per cent. Our imports were \$9,000,000, our exports \$85,000,000, and our production \$4,000,000,000, the exports being nearly ten times the amount of the imports, and the imports being only 2 per cent of the production; yet they have increased the tariff. Mechanical machinery and apparatus: Production, \$1,392,000,000; imports, \$1,770,000; exports, \$68,000,000, the imports being about one-tenth of 1 per cent; and yet they have increased the tariff to 35 per cent from 30 per cent. Textile machinery: Production, \$93,000,000; imports, \$4,000,000; exports, \$6,000,000; and they have increased the tariff, although the imports are less than 3 per cent, and the Tariff Commission says that some of the textile machines which come into the country from foreign countries are sold at a higher price than the American-made machines, and yet they increase the tariff. Take clothespins. They have increased the tariff from 90 per cent to 121 per cent, and the imports have dropped from 1924, when they were \$19,000, to \$10,000 in 1929. Notwithstanding that, they have raised the rate to 121 per cent. This is a true picture of the so-called limited tariff revision. It could not have been more general.

The average rate for all schedules in the present law is 34.59 per cent, whereas in the pending bill it is increased to 40.97 per cent.

I am sorry the Republican Party feels the necessity for increasing tariff rates. I fear that party has become obsessed with the idea that an increase of tariff duties is a panacea for all ills. If we would have our people fully employed, we must have access to the markets of the world. If we would bring home the wealth of the Indies, we must take with us the wealth of the Indies; in other words, we must trade with the world in order to increase our commerce.

If we would have the nations pay off the debts they owe us, we must allow them to have fair trade relations with us. We can not by prohibitory tariff rates do business with the world. Mr. Marvin, of the Tariff Commission, cites the fact that our exports and imports during the last three months have decreased \$500,000,000. Unless this is remedied, it means \$2,000,000,000 less business with the nations of the world. A tariff to equalize the cost of production at home and abroad is a fair basis, and should be adhered to. [Applause.]

Mr. RAMSEYER. Mr. Speaker, I yield myself 15 minutes, and I hope the Speaker will notify me when my time is up.

The gentleman from Washington [Mr. JOHNSON] stated this agitation against the duty on lumber is inspired by those who have invested in timber lands in Canada to the extent of \$500,000,000.

Now, I do not know to what extent investments have been made in Canada. The gentleman then tried to draw a parallel with Ford manufacturing cars abroad and some other things of that kind. I have tried to tell this House several times that every commodity, from a tariff standpoint, stands on its own bottom and has its own peculiar situation, which is usually different from that of any other commodity.

We hear fellows get up here and say, "Yes; I am a Republican protectionist. I am for protection on everything produced in America." We hear them say this one day and the next day they oppose a duty on silver. [Laughter.] Well, the day before they ought to have stated why they were for protection on one item outside of the fact they are Republicans, and then the next day they ought to have given the reason why, as Republicans, they were not for a duty on silver. Republican protection does not mean a tariff duty on everything.

The lumber situation is different from any other situation we have. The gentleman refers to the shingle mills having gone broke. There are shingle mills that have gone broke. Lumber mills have gone broke. Out in the hallway there are charts showing the ownership of the stumpage or the timberlands. I could not bring all those charts in here, but they will show you how the ownership of the timberland is concentrated in

the hands of a few large lumber companies. The story before the Ways and Means Committee as to the prosperity or distress of the lumber and shingle industries simply resolves itself to this: The lumber companies that had their own stumpage and bought it years ago, before the high timber market period of 1922 and 1923, have been making money during the last 10 years. I have charts here showing the percentage of profits they have made. These charts have gone into the Senate record and I shall not take the time to either insert them in the RECORD or advert to them.

The secret of the success or failure of the lumber companies is that those companies that had their own stumpage have been making money. The companies that have mills only and must buy their stumpage are at the mercy of the timber lords, and a duty on logs and a duty on timber, according to the best expert advice I could get, would simply enable the timber owners to charge more for their stumpage and would not change the situation at all as to the independent mills that have to buy their stumpage or their logs; and the most propaganda you have received in the last 10 days has been from Tacoma, Wash., Bellingham, Wash., Spokane, Wash., and Seattle, Wash., from mills asking that logs be permitted to come in free. These are the mill owners who have to buy logs to operate their mills. They want logs to come in free, so they will not be at the mercy of the timber owners of their own State. Now, this is all there is to it, so far as—

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. RAMSEYER. May I go on now? I did not interrupt the gentleman when he spoke. The gentleman can answer me in his own time.

Mr. JOHNSON of Washington. The gentleman has more time than I had. Will the gentleman allow me to make this statement? It is interesting to know that a majority of those letters written by the manufacturers who do not own logs were written because they were instigated by Mr. Bloedell, who owns Canadian timber.

Mr. RAMSEYER. Bloedell is a very high-class lumberman and he is an intelligent lumberman. He is a constituent of the gentleman's colleague [Mr. HADLEY]. I remember his testimony before the committee very well, and his attitude on free lumber and free shingles is the attitude of hundreds of lumber mill and timber owners in the United States. I doubt whether there is a more intelligent lumberman in the United States than Mr. Bloedell.

Mr. JOHNSON of Washington. The gentleman means in Canada.

Mr. RAMSEYER. No; not in Canada. Mr. Bloedell has lumber mills and shingle mills in the United States. He has no shingle mills in Canada.

Mr. KORELL. Then may I ask his reason for spending the amount of money he has spent in sending out this propaganda against a tariff?

Mr. RAMSEYER. I can not yield to the gentleman. I do not mean to be discourteous, but I want to go on now and give you some reasons why we should continue to have free logs and free timber and free shingles. I will tell you another reason the lumber mills are in distress and the lumber industry in the dumps, and it is the same reason that many other industries are now in the dumps. Right here is a tale I want you to hear. In 1921 the farmers of the United States used in construction material of the value of \$899,000,000. In 1928 the same number of farmers, with the same need for construction of buildings then as in 1921, only bought \$363,000,000 worth of construction material.

We have a live-wire chairman of the Federal Farm Board. Day before yesterday he went before the chamber of commerce and told its membership where to head in on the agricultural marketing act, and he also told them why the lumber industry is in the dumps. Nearly 50 per cent of the lumber is used on the farm; 70 per cent of the shingles is used on the farm.

Mr. Legge knows that. Let me read you a paragraph from Mr. Legge's address. In yesterday's CONGRESSIONAL RECORD, on page 8129, I inserted his speech before the chamber of commerce and what he said on lumber.

I regret to state that I never met Mr. Legge, but I am going to make myself an opportunity to get acquainted with that gentleman some time soon. Now, listen. This is supposed to be a farm tariff bill, and I will later show you another reason why the conferees think it is a farm tariff bill.

In the last column on page 8121 Mr. Legge says—and remember that there is no better business man in the United States than Mr. Legge. He says:

Many of the lumber mills of the country are closing down, others are operating part time, and few, if any, of them are breaking even on the proposition—

That is as strong as the gentleman from Washington could make it—

all due to a very sharp decline in the consumption of lumber in the country. It is perhaps natural for us to think of this in the terms of steel, concrete, and other substitutes that have taken the place of lumber in many forms of construction, but the facts are that over 50 per cent of the decline in lumber buying, as compared to the higher records of years past, is represented in reduced farm purchasing. The farmer uses no substitute steel or concrete or anything else, lumber still being the cheapest material from which he can build a home for himself or shelter for his livestock.

Why does this curtailment amount to almost cessation in farm buying? The answer is that under conditions existing in recent years, and still prevailing, there is nothing to encourage the farmer to improve his property.

Bringing us into a condition to increase the purchasing power of the farmer, so he can increase the consumption of lumber 100 per cent, and our lumber industry will get back on its feet, and it will not get back on its feet until you bring about a condition like that. [Applause.] The farmer has a low purchasing power; he uses lumber, and you propose to help him by increasing the price of lumber, without, on the other hand, increasing his purchasing power. [Applause.]

That is the proposition. That is why I am following Mr. Legge for free lumber and against the Jones amendment. I am for free shingles and free lumber, and those who have the interest of agriculture at heart and are concerned about the welfare of the farmer ought not to vote to put 1 cent of duty on lumber and shingles.

Mr. KORELL. Will the gentleman yield?

Mr. RAMSEYER. No. I am going to refer to the Jones amendment and show you how the conferees love the farmer. It is in the Jones amendment, numbered 371. You ought to familiarize yourself with it. That amendment proposes to put a duty of \$1.50 on timber and sawed lumber, and it includes telegraph poles, railroad ties, trolley poles, electric-light poles of any wood.

Now, who uses telegraph poles and the railroad ties? The public-utility corporations. Who uses sawed lumber and lumber not specially provided for? The farmers use 50 per cent of it. They propose to offer an amendment to agree to the Senate amendment, striking out railroad ties, telegraph poles, and so forth, which will cheapen the material to the public utilities, but to leave on the dutiable list the hewn and sawed timber and lumber that the farmer has to buy. Great goodness, to what extent we are going to give relief to the farmer in this bill!

Mr. CRISP. Mr. Speaker, will the gentleman yield?

Mr. RAMSEYER. Certainly.

Mr. CRISP. In other words, the farmer asked for fish and they are giving him a serpent, so far as farm benefit is concerned.

Mr. RAMSEYER. So far as this wood schedule is concerned, I agree with the gentleman. We hope to change that before the day is over.

I call attention now to these charts which have been brought into the Chamber.

The first shows the export of logs (softwood) to Japan in 1929. The total exports from British Columbia, Washington, and Oregon amounted to 316,023,000 board feet, of which British Columbia sent only 16.9 per cent and Washington and Oregon 83.1 per cent. The inevitable conclusion from that is that Washington and Oregon logs must have a lower production cost.

The next shows the export of softwood lumber to Japan in 1929 from British Columbia, Oregon, and Washington. The total amount was 667,349,936 board feet, of which British Columbia exported 28.9 per cent and Washington and Oregon 71.1 per cent.

Next we have the exports of softwood lumber to China in 1929. The total amount from the Pacific coast was 377,975,457 board feet, of which British Columbia exported only 11.7 per cent and Washington and Oregon 89.3 per cent.

Next we have the softwood-lumber exports to Australia in 1929. Total amount from the Pacific coast, 266,125,448 board feet, of which British Columbia exported 15.6 per cent and Washington and Oregon 84.4 per cent.

Next are the softwood-lumber exports to the west coast of South America in 1929. From the Pacific coast there were exported a total amount of 146,390,679 board feet, of which British Columbia exported seven-tenths of 1 per cent, and the rest of it was exported by Washington and Oregon.

Here we have the total water-borne shipments of softwood lumber, domestic and foreign, for 1929 from the Pacific coast. The total was 5,536,184,720 board feet. Of that amount British Columbia exported only 14.4 per cent and the remaining portion is accountable to Washington and Oregon.



Softwood lumber exports to the United Kingdom and Europe for 1929: The total amount from the Pacific coast was 354,287,704 board feet, of which British Columbia exported only 19.5 per cent, the remainder being exported by Washington and Oregon.

I wish now to call especial attention to the next chart, which shows the balance of trade with Canada in 1929. Canada is our best customer. We exported to Canada during that year goods to the amount of \$948,440,000. The imports from Canada during that year amounted to \$503,447,000, which left a balance of trade in our favor of \$444,993,000. The source of this chart is the Department of Commerce.

This next chart shows the balance in trade of the United States in wood and manufactures of wood for 1928. Exports amounted to \$162,107,549, imports \$80,139,475, leaving an excess of export to the amount of \$81,968,074.

As I said before, Canada is the best customer that we have in the world, and now we propose to put up this barrier. Canada is especially sensitive, as I have said on other occasions, over our proposed duties on lumber and shingles, and the increased duties on feeder cattle. This may jeopardize the great waterway on the St. Lawrence River. The President of the United States is doing his best now to negotiate an agreement with Canada in regard to the Great Lakes-St. Lawrence waterway. That agreement is not going to be negotiated, as I understand it, until Canada knows how we are going to treat her in regard to the tariff. That, of course, is only an incidental argument.

From the standpoint of competition, labor cost, the charts which are outside in the lobby show you all about shingles. Shingles in Canada, capital cost and every other kind of cost, are all higher than in this country. They pay as much to labor there as we do here.

Mr. CROWTHER. Mr. Speaker, will the gentleman yield?

Mr. RAMSEYER. I am going to close now.

Mr. CROWTHER. I ask the gentleman to yield in order that I may ask him a question.

Mr. RAMSEYER. Very well. I yield for a question.

Mr. CROWTHER. What authority has the gentleman for the statement that an agreement in respect to the St. Lawrence Canal is contingent upon our tariff procedure in this bill? What is the gentleman's authority for making that statement?

Mr. RAMSEYER. That is beside the main issue I am discussing. I will not disclose to the gentleman my authority at this time, but I have the authority.

Mr. CROWTHER. I think such a statement would warrant the gentleman disclosing his authority to the Congress of the United States.

Mr. RAMSEYER. That is just where the gentleman from New York and I differ. I am not going into that matter further, and I am not yielding to the gentleman. Mr. Speaker, I reserve the balance of my time.

Mr. HAWLEY. Mr. Speaker, I infer from the remarks of the gentleman from Iowa [Mr. RAMSEYER] that there is no lumber produced in the State of Iowa, and I also infer from the reports in the press this morning that Canada's objection is not to a duty on lumber but to what we have done with respect to increased rates of duties on agricultural products.

In the short space of time at my disposal I intend to show that the arguments advanced against a duty on lumber are not well founded. These may be briefly summarized as follows:

First. That a duty on lumber is not needed by that industry.

Second. That Canadian costs of production are higher than those in the United States.

Third. That such a duty would materially increase the cost of building homes, barns, and so forth, for farmers and others. This appears to be the objection most generally made.

Fourth. That conservation requires the indefinite reservation of our forests. In opposition to this we propose the utilization of matured timber and the regrowth of new forests.

Fifth. We maintain that the charts exhibited by the opposition to a duty on lumber have no tariff significance but that they do show that the American manufacturers have diligently sought markets in every part of the world for their timber products in an endeavor to secure prosperity for their industry.

Sixth. That the departure from the policy of protecting this industry is a material factor in its growing depression in this country.

Seventh. That the labor employed is entitled to the benefits of a protective tariff as much as labor otherwise employed in the United States.

The proposed amendment places a duty of 75 cents a thousand on lumber further advanced in manufacture than by planing on one side or edge; and not including all rough lumber or lumber planed only on one side or on one edge from contiguous coun-

tries, which will come in free. I shall speak concerning the American industry generally, and the Pacific Northwest in particular. I understand there is another gentleman who will represent the southern interests more specifically, who will speak also on imports of lumber from Russia. I am to speak particularly on the Canadian competition.

#### IMPORTANCE OF LUMBER INDUSTRY

The lumber industry is one of the largest in the United States. Biennial census figures for 1927 show: "Lumber and its allied products" (including remanufactures) as third in the list of 16 general industrial groups in number of wage earners, fourth in amount of wages paid, and eighth in the value of products. It is exceeded only by "textiles and their products" and "machinery" in number of wage earners, and by the textile, iron and steel, and machinery groups in wages paid.

According to Government figures, in 1928, 13,268 mills reported manufactured product, which at the mill had a value of over \$874,000,000. The census figures of employment for 1927 show 552,787 men employed, who received in wages a total of \$581,689,478, or 66½ per cent of the money received by the mills for the product.

A large number of the smaller mills did not report. The industry states the total number of mills is approximately 20,000.

Based upon its information, the Department of Commerce in 1929 estimated that 886,889 persons were employed in this great industry at an annual average wage of \$1,052. (This annual wage would have been larger except for unemployment.) The probable actual total pay roll is \$1,000,000,000, and the total value of the product should be increased in proper relation.

According to Government figures, the annual production in Oregon, Washington, Idaho, and Montana is \$326,219,099. Normally the wages paid in the Pacific Northwest in this industry exceed \$231,000,000 annually.

According to census figures of 1925, this means that \$40 out of every \$100 coming into Oregon from the sales of products comes from lumber and allied products, or 40 per cent; and in Washington, 43 per cent; that 60 per cent of all wage earners in Oregon and 62 per cent of those in Washington were employed in the lumber industry. This industry is vital to these States and of great importance to others.

Under normal conditions in the industry about 160,000 men are employed in Oregon and Washington.

Officers of the Federation of Labor in these States state over their signatures that 80,000 of this 160,000, or 50 per cent, are unemployed.

Government publications show that in 1928 and 1929 unemployment in the lumber industry over the entire United States exceeded 20 per cent; that is, some 175,000 persons were in enforced idleness. This condition we are asking Congress to ameliorate. The situation is not improving.

During the past six years wages paid to labor have diminished \$73,000,000 per year, due to slackening in the industry.

The production not only in the Northwest but in other States has decreased many billions of feet.

Evidently there is a slackening in the industry and a serious unemployment situation, and this is not of sudden occurrence, but has been developing over a period of years.

Forestry records show that 946,871 farmers, located in every State in the Union, including also the District of Columbia, own 35,270,527 acres of timberlands, from which they derive revenue from the sales of logs. The closing down of mills has caused a serious situation to them in several States.

These facts are worthy of special emphasis. Including that portion of the industry that did not report for various reasons the number of mills is estimated to be about 20,000. The value of their product reported in 1928 was \$874,000,000. The census figures show for 1927—the census being taken only in the odd-numbered years—the employment of 552,787 men, who received a total wage of \$581,689,478. That is, out of every \$3 that a mill man gets for his lumber he pays about \$2 in wages to his employees—men in the woods, in the mills, in the yards.

Taking into consideration the later figures, the total number of men engaged in this industry is 887,000, and the total pay roll is approximately a billion dollars.

Evidently it is one of the largest industries in this country. It is the one industry that has not yet had recognition as to its needs of a protective tariff, so that it can adjust itself to a normal basis and proceed in the production of this necessary material for our public use. If any industry can prove the need for a protective duty and the justice of its imposition, the lumber industry can fully do so.

In the Pacific Northwest the value of the annual production of lumber and lumber products is \$326,000,000. Forty dollars out of every \$100 that comes into the State of Oregon and \$43 out of every \$100 that comes into the State of Washington from the sales of products comes from lumber. The wages normally

paid in this section of the country amount to \$231,000,000, the largest pay roll we have. Sixty per cent of all the wage earners in the State of Oregon and 62 per cent of all the wage earners in the State of Washington are engaged in the lumber and allied industries.

No wonder this industry is so important to our people, who are asking you for this very moderate relief. The result we desire to attain is the stabilization of prices and the restoration to our pay rolls of about 80,000 men in the different employments in connection with the industry. Normally 160,000 men are employed in Oregon and Washington in the lumber business.

The Federation of Labor officials in those States state over their signatures that 50 per cent of those men are now out of employment—that is, 80,000 men are out of employment—and in the whole United States at least 175,000 men are out of employment in the lumber industry.

There is a decided cessation in the industry and a large unemployment problem.

I have here a list of the mills in the States of Washington and Oregon—hundreds of them—which, on account of economic conditions, have been forced out of business. In addition to those which have closed, many others are operating on part time or have greatly reduced their output, so that their output at present is about 37 per cent under normal. Also, the output of the industry has so decreased that in the country now it is about 10,000,000,000 feet less than it was in 1923. The price of lumber at the mill has declined in that period of years; that is, from 1923 to the present time. There is no effort on the part of the industry to maintain a high price for lumber. They can not even get a remunerative price.

I have given careful consideration to a great volume of facts and figures and found out what they show, although in 15 minutes I can not present them in detail but can only present the conclusions that everyone who studies them must inevitably reach.

In brief, I may say, speaking generally, that out of every dollar that the consumer pays for lumber the railroad gets 30 cents, the retailer gets 30 cents, and the mill gets 40 cents, and 27 cents of that 40 cents the millman pays to labor. That is, out of every dollar that the consumer pays for his lumber the millman gets only 13 cents for his ownership of the timber, for his taxes, for his overhead, for his management, for manufacture, and for his investment and profit, if any; 13 cents out of every dollar. Gentlemen, there is no other industry in this country that is compelled to operate on such a margin.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. SABATH. In view of the fact that 30 cents out of every dollar is paid to the railroad for hauling the lumber, why do we go on and give the railroads free poles?

Mr. HAWLEY. Railroad ties, trolley, telegraph, telephone, and electric-light poles are eliminated by the amendment.

Mr. SABATH. You propose to put them on the free list, do you?

Mr. HAWLEY. I propose to put them on the free list.

#### LOG COSTS

The production of lumber begins with the cutting of the trees in the forests and the removal of the logs. This is the major cost in the production of lumber, including as it does the price of stumpage. The United States Tariff Commission in 1929 made an extensive investigation into the costs of producing logs, and in their "Log report," pages 11 and 21, state the following conclusions:

Cost of production per thousand board feet:

United States	\$16.63
Canada	14.97

Lower cost in Canada 1.66

That is, the single item of log costs alone is more than twice the rate of duty asked.

In the same report, on page 7, the commission finds that if the costs of producing logs is extended to their delivery at tidewater, the cost in the United States per thousand board feet, is \$19.10, and in Canada is \$16.97, or a difference of \$2.13 in favor of Canada.

#### LABOR COSTS

Since labor in our camps and mills receives \$2 out of every \$3 which the mills receive from sales of their output, the comparative labor costs between our country and Canada are of the first importance. If time were available, I could present a very detailed study with corroborating evidence that white labor is paid \$1.20 more in logging camps and \$1.14 more in mills in our section of the country than are paid for such labor in Canada.

I have here comparative tabulated lists of all employees in camps and mills in the United States and Canada, giving the

description of the employment and the wages paid in each of the several occupations which prove the accuracy of the statement just made. Moreover, while Canadian camps and mills employ only 55 per cent of white labor, our mills employ 99.9982 per cent white labor; Canadian camps and mills employ 45 per cent oriental labor, our mills employ only 0.0018 of 1 per cent of such labor.

We earnestly urge that our American labor is entitled to consideration by the American Congress.

#### ADVANTAGES TO CANADIAN OWNERS

The advantages are stated in part by the Campbell River Timber Co. (Ltd.), in their prospectus, circulated through the bond department of the Detroit & Security Trust Co. for the sale of bonds, dated January 1, 1927. I quote as follows from this prospectus:

The timber covered by this mortgage is held under lease and is subject to royalties fixed by the act of Parliament dated December 19, 1924. These royalties are payable on lease timber as and when logged at rates ranging from 75 cents per thousand feet to \$1.65 per thousand feet. In addition to these royalties, the company pays an annual fee of \$140 for each 640 acres.

Among the advantages of Canadian-owned timber are: (1) The owners pay only a small annual fee in lieu of taxes, which is much less than the taxes on timberlands in the United States; (2) the royalties are payable only as the timber is cut, at definite rates fixed for a 10-year period by the Government; (3) lumber may be shipped to American ports in foreign vessels at lower freight rates than the rates of American vessels plying between American ports.

This prospectus states that in addition to the severance tax varying from 75 cents to \$1.65 per thousand feet, which is less than the average stumpage charge in the Pacific Northwest, the company pays an annual fee of \$140 for each 640 acres.

Tax records on 31 typical sections in 10 counties of Oregon show an average annual tax per section of \$1,732.44, while 50 typical sections in 6 counties of Washington show an average annual tax per section of \$3,211.02, with an average for the two States of \$2,645.14 per 640 acres. British Columbia tax averages 1.7 cents per thousand feet of stumpage; Oregon tax averages 6.8 cents per thousand feet of stumpage.

The quotation from the prospectus also states that—

Lumber may be shipped to American ports [from Pacific Canadian ports] in foreign vessels at lower freight rates than the rates of American vessels plying between American ports.

That is, Canadian shippers can ship by tramp vessels to American ports, while American shippers must use American vessels only, with their higher standards of living and American rates of wages. On account of this difference in opportunity, the Canadian shippers have an advantage of from \$1 to \$3 per thousand in the shipment of lumber from Pacific to Gulf and Atlantic ports over the American shippers.

The general result is that (exclusive of transportation) British Columbia costs are \$2.61 per thousand board feet less than the costs to our producers in the Pacific Northwest.

Prices at which Canadian mills offer lumber in their published circulars or price lists, as well as the prices shown by invoices, do not truly indicate the prices at which they actually sell in this country. Their practice is to quote by private information material reductions below the advertised or invoice prices.

Prices quoted in circulars or invoices may indicate that the prices charged are higher than ours, but private information materially reduces them to purchasers.

As to labor, I have a statement containing every occupation in the camps and mills in the United States and in Canada. The American wage earner is paid \$1.20 more in the United States than in Canada, and in the mills \$1.14 more in the United States than in Canada. The mills have advanced their wages, rather than reduced them, maintaining the American standards of living for the American workmen at their own expense. Our labor is white labor. Out of every 10,000 workmen employed in this country, and especially in my State, only 18 are orientals.

Out of every 10,000 workmen employed in Canada, 4,500 are orientals—nearly one-half. We have 0.0018 per cent, and they have 45 per cent. I have here affidavits concerning the employment of oriental labor in Canada which I will not have time to read.

Mr. WOOD. Will the gentleman yield?

Mr. HAWLEY. I will yield for a question.

Mr. WOOD. Suppose a dwelling house were built entirely of lumber—

Mr. HAWLEY. Answering the question of the gentleman from Indiana concerning any cost a duty might add to the construction of a dwelling, I have heard the most extravagant statements made, and the only way I can excuse them is on



account of ignorance. I think I can best answer this inquiry by concrete instances of buildings commonly built in various parts of the country.

Here is the picture of a house which cost from \$1,900 to \$2,000, containing 10,592 board feet of lumber. If that was all planned on more than one side, all dutiable, and the entire house was made of lumber, the duty on that lumber at the rate we propose would be \$7.95.

Here is another house costing from \$2,500 to \$2,700. The lumber in that house amounts to 12,622 board feet, and the duty on that would be \$9.47, if it was all made of lumber and all dutiable. I have the bills for the lumber used in the construction of the houses to which I am calling attention attached to each illustration.

Here is a house costing \$3,000 to \$3,500, containing 14,885 feet of lumber. The duty on that would be \$10.66.

Where would so small an item appear in the building of a house as an added cost? What contractor would take account of that item in a bid on a house costing \$3,000 or \$3,500? Also, to whatever extent rough lumber or lumber planed only on one side or edge is used, the duty will be reduced correspondingly.

Here is another containing 12,208 board feet of lumber. The duty on that lumber, if the house were all built of lumber, and it was all dutiable lumber, would be \$9.16.

Here is a very comfortable house costing \$3,500, containing 13,260 feet of lumber. The duty on that would be \$9.90.

Here is another one costing \$3,600, containing 10,899 board feet of lumber. The duty would be \$8.17, if all made of lumber and all dutiable lumber. In every house the rough lumber, or lumber planed only on one side or edge, would not be dutiable, and so reduce the duties given. I am giving the highest amounts.

Here is one costing from \$4,000 to \$4,500, containing 15,060 feet of lumber. The duty on that would be \$11.05.

Here is a house costing from \$4,000 to \$5,000, containing 13,825 board feet. The duty would be \$10.37.

Houses are built once in a lifetime, and, even if a duty of \$10.37 could by any possibility be added to the cost of a house which would last at least 30 years, it would only be 30 cents a year and would in no sense be a burden in building a house costing from \$4,000 to \$5,000. It would never be noticed. In fact, so small an amount would not appear in the cost.

The retailer, who gets 30 cents out of every dollar that the consumer pays, would absorb it.

Here is another house costing from \$5,000 to \$5,500, containing 20,043 feet of lumber. The duty on that would be \$15.03.

Here is a house costing from \$5,000 to \$5,500, containing 19,655 feet of lumber. The duty would be \$14.74. How could an item of \$14.74 appear as an added cost in a house like that?

Mr. RAMSEYER. Will the gentleman yield?

Mr. HAWLEY. I yield.

Mr. RAMSEYER. Will the gentleman state what amendment he refers to?

Mr. HAWLEY. The one I have proposed—75 cents per 1,000 feet.

Mr. RAMSEYER. But it also has cedar lumber and logs.

Mr. HAWLEY. But these houses do not contain cedar lumber or logs.

Mr. RAMSEYER. But lumber is made out of logs.

Mr. HAWLEY. But when the duty is paid on lumber it is to be only 75 cents per 1,000 feet.

Here is a house costing from \$5,500 to \$6,000. It requires 20,127 feet to construct, on which the duty would be \$15.10.

Here is an excellent house costing \$6,000. There are 17,252 feet of lumber in it, on which the duty would be \$12.94.

I have here in all pictures of 15 houses, varying in size and in cost from \$1,900 or \$2,000 to \$8,000 or \$9,000. Many of these are accompanied by floor plans. All have attached to them the bills for the lumber used in their construction, and each house is to be built entirely of lumber. In computing the amount of duty in the lumber in each house all the lumber is considered to be imported and dutiable, but as a matter of fact it will not be all dutiable. But by considering it all to be dutiable the amount of the duty will be the largest amount that could possibly be added to the cost of each house. It will, however, be readily apparent that the amount of the duty on the lumber used on each house is so small that it will not appear as an item added to the cost of a home. In other words, the pending motion provides a duty of 75 cents per thousand, board measure, from contiguous countries when such lumber is planed or surfaced on two or more sides or edges, and this duty is so small that it will not be reflected in or added to the cost of any house.

Let me say again that the duties are computed on the basis that each house is constructed entirely of lumber and all of

such lumber is dutiable. The tabulation I now present gives further details.

Size of house in feet	Cost	Board feet	Duty
22 by 24, with garage added.....	\$1,900-\$2,000	10,592	
22 by 30.....	2,500- 2,700	12,622	\$7.95
24 by 26.....	3,300	12,208	9.47
24 by 36.....	3,000- 3,500	14,885	9.16
22 by 32.....	3,500	13,206	10.66
24 by 30.....	3,600	10,899	9.90
24 by 36.....	4,500	14,625	8.17
24 by 34.....	4,000- 4,500	15,060	10.97
26 by 32.....	4,000- 5,000	13,825	11.05
28 by 36 1/2.....	5,000- 5,500	20,043	10.37
28 by 28.....	5,000- 5,500	19,655	15.03
28 by 28.....	5,500- 6,000	20,127	14.74
30 by 40.....	6,000	17,252	15.10
24 by 26.....	6,300	18,654	12.94
28 by 35.....	7,000	21,815	14.09
33 by 35.....	8,000- 9,000	24,445	16.11
			18.33

These comprise houses of many designs, of the kinds being generally built, 1 story, 1 1/2 stories, and 2 stories high, attractive in appearance, and substantially constructed. An examination of the duties on the lumber in the several houses will convince anyone that these duties will not add to the cost.

I now submit plans of barns and outbuildings with pictures of them and the bills for the lumber used in their construction.

Size in feet	Cost	Board feet	Duty
30 by 36.....	\$1,380	14,338	\$10.75
30 by 48.....	1,470	19,073	14.30
32 by 40.....	2,070	18,923	14.19
54 by 65.....	2,000	20,896	15.67
36 by 50.....	2,525	23,800	17.85

These are typical barns, well constructed, commodious, and high proportional to their width and length.

This last illustration I have is of a combined corner crib and granary, 26 feet by 32 feet, costing \$1,200, using 9,398 feet of lumber, on which the duty would be \$7.05.

As in the case of the houses the duties are computed on the assumption that the barns and cribs will be all of dutiable lumber, although a great deal of free lumber will be used in their construction.

I think these practical illustrations demonstrate the fact that the proposed duty on lumber will not add to the costs of buildings, and will leave the opponents of the duty without any reasonable ground for their opposition.

Also, buildings last for many years—say from 30 to 50 years. Any duty, if it were paid on the lumber contained in them, would not be a yearly cost, but should be divided by the number of years the building will last. That is, even if the duty were added to the cost, the average yearly cost would be negligible. The average amount of lumber used on farms for purposes other than buildings is 400 feet per capita, and the duty paid, if all such lumber were dutiable, would be about 30 cents yearly. It is frequently alleged that a duty on lumber will increase the cost of buildings, but no one has shown from the practical standpoint that this will be the result.

The rate on lumber in the Payne Act of 1909 was reduced from \$2 to \$1.25 per thousand, and the duty was entirely removed in the Underwood Act of 1913. In neither instance was the price reduced to the consumer because of these reductions in rates of duty.

If reduced rates of duty did not reduce prices to the consumer, the small duty now proposed will not increase them. This is further shown by the fact that prices now fluctuate in amounts much greater than the proposed duty and yet prices to the consumer do not change with the fluctuations.

#### LUMBER INDUSTRY LARGE PURCHASER OF PRODUCTS OF OTHERS WHO ENJOY TARIFF PROTECTION

The lumber industry necessarily is a purchaser of great quantities of products of American producers who have tariff protection, such as engines, cables, chains, machinery, repair parts, saws, tools, electrical machinery, and a long list of mill supplies; and dutiable clothing; and dutiable agricultural products, meats, cereal products, vegetables, including a varied list of food supplies; and dutiable canned goods.

Its prosperity benefits directly and indirectly the great industries and various communities in many parts of our country, especially the agricultural and industrial sections. They have been given at least fair rates of duty on their products. In all fairness and justice, we are warranted in urging their support

for the duty on lumber, in a bill providing expressly for protection to American industry and labor.

## RAILROAD FREIGHTS

For the year 1928 the products of forests represented 12.55 per cent of total tonnage originating in western districts and paid \$184,014,176, or 9.79 per cent of the freight revenue arising in such districts.

In the entire United States forest products paid to roads originating tonnage 7.53 per cent of the revenue and supplied 7.52 per cent of the freight, which amounted to \$363,617,993. This revenue and tonnage is not only important to the railroads, but because of the magnitude of both items, affecting 46 States, it influences the freight structure of the entire country.

## VARIATION IN MILL PRICES

As is the case in the marketing of any highly competitive commodity, the mill prices of lumber are subject to continual change. They vary continually. Prices may fall or rise as much as \$2.50 per thousand for common and up to \$5 for higher grades without corresponding change in retail prices. I do not wish to be understood as making an attack on the retail yards. Theirs is largely a seasonal business, and they offset higher prices of one shipment against lower prices for another. But what I am urging is this: That the retail price paid by the consumer is no index of the prosperity or disadvantage of the mills. The problem of the mill man is one of vigorous competition in the domestic market with other American mills, complicated to his disadvantage by imports at lower costs of production than our own.

## COSTS TO THE CONSUMER

The following statistics compiled from the actual figures of a large number of yards in the States named show that out of every dollar paid by the consumer the mills retain only 13 cents on the average for stumpage, investment, taxes, marketing, and other charges, and that the 13 cents includes profit, if any.

*North and South Dakota, 4-year averages, 1926-1930, on fir and pine lumber of the kinds used in building houses and barns*

	Mill prices	Freight	Retail prices	Excess of retail prices over delivered costs
Fir.....	\$20.18	\$13.50	\$48.80	\$15.12
Pine.....	23.32	12.00	53.47	18.15

Fir: Mill gets 41 per cent, railroad 27 per cent, and retailer 31 per cent of retail price which the consumer pays.

Pine: Mill gets 43.6 per cent, railroad 22.4 per cent, and retailer 34 per cent of retail price which the consumer pays.

*Southern Minnesota and northern Iowa, 4-year averages, 1926-1930, on fir and pine lumber of the kinds used in building houses and barns*

	Mill prices	Freight	Retail prices	Excess of retail prices over cost delivered
Fir.....	\$17.68	\$16.75	\$46.92	\$12.59
Pine.....	22.18	14.83	53.50	16.49

Fir: The mill receives 37.6 per cent, the railroad 35.7 per cent, and the retailer 26.7 per cent of what the consumer pays.

Pine: The mill receives 41.7 per cent, the railroad 27.7 per cent, and the retailer 30.6 per cent of what the consumer pays.

That is to say, generally, out of every dollar the consumer pays for lumber the railroad takes 30 cents, the retailer takes 30 cents, the mill receives 40 cents out of which the mill pays labor 27 cents, leaving the mill 13 cents.

The interests especially opposing a duty on lumber are American owners of Canadian timber, amounting to 1,011,084 acres valued at \$443,806,000, the Canadian interests and lobby, the agricultural interests largely, and certain others commonly called "conservationists."

We can not understand why those who favor a protective tariff on their products, as indicated by the several schedules in the tariff, should oppose a duty on lumber, which is the basic industry of large sections of our country, which is now in distress, where great unemployment exists, which has a steadily decreasing output, whose depressed condition adversely affects the prosperity of millions engaged in businesses associated with the production of lumber, and in which prices have steadily declined.

I offer, in corroboration of the price decline, the following from the Report of the Forester, United States Department of Agriculture, for 1929, page 5:

## Average prices at mills

	1923	1928	Decline
Douglas fir.....	\$28.93	\$20.01	\$8.92
Southern pine.....	30.81	25.32	5.49

There is no combination among operators in an endeavor to maintain prices. This is a highly competitive industry. Mill prices materially declined in recent years, as these official figures show. The Bureau of the Census, Department of Commerce, on Forest Products for 1928, page 17, presents the following statement of the decline in mill prices per thousand feet on several varieties of soft lumber.

	1923	1928	Decline
Douglas fir.....	\$26.90	\$19.02	\$7.88
Spruce.....	31.44	26.50	4.94
Western yellow pine.....	23.84	20.00	3.84
White pine.....	34.85	28.71	6.14
Yellow pine.....	29.82	24.62	5.20

## CONSERVATION

One of the arguments against a duty on lumber is that we should conserve our timber resources. I believe the greatest authority on this subject is the Forest Service. For years the Forest Service has advocated as the true policy the cutting of timber when it is mature, as we do any other crop. The service sells annually large quantities of timber that it may be used when best suited for use and ripened and depreciating timber give place to new growth; that is, their policy is based on utilization and regrowth.

In the Pacific Northwest regrowth proceeds rapidly when protected against fire. I know of tens of thousands of acres of splendid new forest that have sprung up within my memory. I know of second-growth Douglas fir approximately 80 years old that is 4 feet in diameter (breast high) and 175 feet high. I know of vast areas where the timber is yearly deteriorating. This mature timber should be cut in the near future and so conserved for use. The proposal to keep our timber standing for future use while we use imported timber is not sound; it is wasteful. We would best serve another generation by using our own timber which is ready for use and then import timber while our crop is regrowing.

A public policy proposing that private citizens should of necessity hold their private property at their own expense, protect it from waste and fire, and pay taxes and interest on the investment is unfair. If the public desires to hold our timber uncut it should be purchased by the Government and held at the expense of all the people.

The American lumber industry is depressed and declining, and the labor naturally employed by it is out of work and must seek employment in other industries, so increasing the pressure for remunerative toil. One of our most serious national problems is that of so administering our affairs that opportunities for employment may be given to our rapidly increasing population. Our historic policy has been to give employment to American rather than to foreign labor. While our lumber camps and mills are forced to close, our competitors are increasing their business, giving employment to Chinese, Japanese, and Hindus. We feel no unkindness toward the labor of other countries, but their employment is not our responsibility.

Unless we grant the protection asked, we are not pursuing a consistent policy in the matter of building materials. Cement, brick, steel, roofing materials, stone, and other articles are on the dutiable list. They are competitors of wood products which it is proposed to make free. On what theory of a protective tariff can this be justified?

A duty on lumber is indorsed by the board of directors of the National Lumber Manufacturers' Association, by the Southern Pine Association, the Lumber Industry Tariff Committee, the White Pine Association of the Tonawandas, the North Carolina Pine Association, the Roofers Manufacturers' Club of Georgia, South Carolina, and Alabama, and by the industry generally, as well as by business institutions and industries associated with or dependent on lumbering operations. The National Retail Lumber Dealers' Association has repudiated the letter of Mr. Frank Carnahan of April 7 relating to profits to lumber manufacturers and to the supposed added costs in the construction of average houses on the ground that his statements are not correct.

The people engaged in the production of timber products buy immense quantities of the articles made by other manufacturers



and producers whose goods, wares, and commodities are on the protected lists. On what theory of justice and fair treatment can a duty on lumber be denied?

## CONCLUSION

In conclusion, we are proposing one of the lowest rates in the bill. It will afford some much-needed relief. This major industry is entitled to fair and equal treatment in a country where we apply the principle of protection to both major and minor enterprises. [Applause.]

The SPEAKER pro tempore. The gentleman from Oregon has consumed 15 minutes.

Mr. BANKHEAD. I would like to ask the gentleman two or three questions.

Mr. HAWLEY. I would be glad to answer them if I had time.

Mr. BANKHEAD. If the gentleman will yield, the gentleman is chairman of the committee. This is an important item. Will the gentleman not yield himself a little more time?

Mr. HAWLEY. If I did, I would be violating arrangements made with some others, to whom I have agreed to yield time on this side of the question.

Mr. BANKHEAD. I regret very much the gentleman can not do it.

Mr. HAWLEY. I do, too. [Applause.]

Mr. HENRY T. RAINEY. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker and ladies and gentlemen of the House, I do not know from what source the gentleman from Oregon [Mr. HAWLEY] obtained his figures as to the additional cost of lumber in a house of ordinary size, occasioned by the duties proposed by this bill, but the National Retail Lumber Dealers' Association has figured the matter out, and I think that is a reliable authority. The National Retail Lumber Dealers' Association say, and I quote from their statement:

It has been conservatively estimated that a duty of \$1.50 per 1,000 board feet, when pyramided, will mean an additional cost of at least a minimum of \$112 on an average house, and it is estimated that the proposed duty on shingles would further add to the cost from \$25 to \$100 more.

Now I am inclined to think that the National Lumber Dealers Association has figured the matter out approximately correctly.

Mr. HAWLEY. Will the gentleman yield a moment?

Mr. HENRY T. RAINEY. Yes; I yield.

Mr. HAWLEY. I have a letter from the secretary-manager of the National Retail Lumber Dealers Association under date of April 26, 1930, in which they repudiate the statement made by their secretary, which misled the gentleman from Illinois [Mr. RAINEY].

Mr. HENRY T. RAINEY. I have only this statement: I did not know it had been changed in any way by the organization. I am surprised to know that it has been. It would be interesting to know what this final estimate is. I think the gentleman from Oregon [Mr. HAWLEY] is basing his estimates on rough lumber; we do not use rough lumber in building houses, and he is overlooking the duty when pyramided.

Members of Congress have received an enormous number of telegrams on this subject, and I want to advise the Members why they have received in the immediate past such a tremendous influx of telegrams favoring these duties.

The Emergency Committee, Lumber and Shingle Tariff, issued a statement recently under date of April 18, 1930, which brought all this flood of telegrams.

I quote from that statement:

There are two things which we want you to do immediately: First, send a wire to each of your Congressmen, whose names you will find on a list already sent, calling their attention to the inconsistency of the stand of the retailers, pointing out that they are being coached by the Canadian lobby, and that they can be proven to have no interest in the consumer by their past actions, and that some of the statements they have made are absolutely untruthful. Make your wire pointed, emphasizing the seriousness of the situation, mentioning unemployment and the gloomy prospects, and be sure and get it off so that it will arrive in Washington not later than Wednesday morning, April 23. This is vastly important. Send a good, long wire.

That is the end of the quotation; that is the reason why you have all received so many telegrams, all of them following this suggestion. I do not know who is responsible for this communication. I do not know who the Emergency Committee, Lumber and Shingle Tariff, is.

No names were given but this communication was sent generally to the members of the West Coast Lumbermen's Association, to the Southern Pine Association, to the California Redwood Association, to the North Carolina Pine Association, to the California White and Sugar Pine Association, and to the

Western Pine Manufacturers' Association. All the members of all these organizations received this emergency request, which comes from some lobbyist here in Washington, who does not even have the courage to subscribe his name to it. That is the reason for this vast flood of telegrams intended to indicate in their number a sentiment in favor of these proposed tariffs.

Now, I want to submit, first, that the President, in calling the extra session of Congress, did not anticipate a further revision upward of the lumber tariffs. In his special message, read at the opening of the extra session, he said:

It is not as if we were setting up a new basis of protective duties. We did that seven years ago.

Then he goes on to say:

In determining changes in our tariff we must not fail to take into account the broad interests of the country as a whole, and such interests include our trade relations with other countries.

The chart displayed here just a moment ago by the gentleman from Iowa shows that Canada is our best customer and indicates the tremendous balance of trade in our favor with Canada. Yesterday, as the gentleman from Georgia has said, Canada indicated her intention to impose retaliatory tariffs against the United States. From the moment we pass this bill her tariffs against us are going to be just as high as our tariffs are against her.

We even export lumber to Canada. We export to Canada \$2 per capita of all the lumber she consumes. She exports to the United States 60 cents per capita of all the lumber we consume in the United States. Therefore our exports to Canada, from a per capita standpoint of lumber consumption, are more important and are greater than her exports to the United States.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. HENRY T. RAINEY. Yes.

Mr. JOHNSON of Washington. Does not Canada have a tariff now against American lumber?

Mr. HENRY T. RAINEY. Oh, yes; but it will be higher than ever as soon as we pass this bill.

Mr. JOHNSON of Washington. Why would it be higher?

Mr. HENRY T. RAINEY. She intends to make it exactly what our tariff is.

Mr. JOHNSON of Washington. What they have now is even higher than our proposed 75 cents.

Mr. HENRY T. RAINEY. It evidently is not high enough to interfere with importations from the United States. In examining into the necessity for tariff protection on any article ordinarily we take into consideration whether or not we are able to compete in the markets of the world with the country whose exportations we fear on that particular article. It is interesting in this connection to look into our exportations of lumber. During the year 1928 the State of Washington alone shipped to Australia 126,876,993 board feet of lumber. During that same year the State of Oregon shipped to Australia 55,079,494 board feet, a total for the two States of 181,956,487 board feet of lumber.

All this entered the Australian market in competition with exports from British Columbia, and during that year British Columbia exported to Australia only 29,843,132 board feet of lumber. We shipped the enormous amount I have just indicated and British Columbia shipped the small amount I have just indicated to Australia.

Mr. MORGAN. Will the gentleman yield?

Mr. HENRY T. RAINEY. Yes.

Mr. MORGAN. Has the gentleman figures showing the percentage of the lumber we consume that is imported from Canada?

Mr. HENRY T. RAINEY. I will put that in the RECORD later. In other words, the shipments of lumber to Australia from the United States were six times greater than from British Columbia.

Let us look at some of the other world markets. South America imports lumber from the United States. From the State of Washington alone the South American countries imported in 1928, 96,665,247 board feet of lumber. The State of Oregon shipped 71,915,965 board feet of lumber. As against this total of 168,581,212 board feet of lumber shipped from these two States to South America only 10,304,032 board feet were shipped from British Columbia. In other words, from these two States alone we shipped to South America fifteen times as much lumber as they shipped from British Columbia. We were able to compete there.

In 1928 we shipped to China fourteen times as many board feet of lumber from these two States as were shipped from all of British Columbia. To Japan in the same year we shipped from these two States four times as much as was shipped from all of British Columbia.

To Mexico and Central America we shipped from the State of Washington in 1928, 10,051,717 board feet of lumber. From Oregon we shipped 1,341,354 board feet. As against this total of 11,393,071 board feet of lumber shipped from the States of Washington and Oregon to Mexico and Central America there were 333,660 board feet shipped from British Columbia.

To the United Kingdom and Europe in 1928 the State of Washington shipped 156,805,202 board feet of lumber. The State of Oregon shipped 78,707,003 board feet, or a total of 235,512,205 board feet, as against 67,075,872 board feet from British Columbia, so that the shipments of lumber from the two States in question were three and a half times greater than the shipments from British Columbia. [Applause.]

To all other foreign ports the States of Washington and Oregon shipped one-fourth more lumber than the shipments from British Columbia amounted to.

The grand total of foreign shipments in 1928 from the States of Washington and Oregon amounted to 1,629,512,100 board feet as against only 381,301,533 board feet from British Columbia, or, in other words, the total shipments from the States of Washington and Oregon in 1928 to all the rest of the world were about five times greater than those from British Columbia. We, therefore, seem to have been able to compete quite successfully with British Columbia in the markets of the world, and I am wondering why we can not as successfully compete here in the United States where freight rates from our mills to the points of consumption are much less than from British Columbia. From every standpoint the argument in favor of a duty on lumber and shingles has failed.

#### RUSSIA

It is seriously contended that exports of lumber and shingles from Russia to our own markets, if admitted free, would seriously handicap our own industry.

The Russian timber development is possible only in the most rugged part of that country, where there is a small population—her timber is produced in a sub-Arctic climate, with frost in the ground practically the entire year. The difficulties connected with harvesting her lumber are increased by the absence of suitable ports. Archangel and Leningrad are practically the only two available ports of shipment. Riga is no longer a Russian port and is practically inaccessible. Archangel lies only 150 miles south of the Arctic Circle, and open water prevails there for only about one-third of the year. The lumber mills in the vicinity of Archangel have been sawing for many generations. Near-by available timber has been cut, and to-day it is necessary to float logs for hundreds of miles from inland points along rivers to Archangel.

To-day there is an acute housing situation in Russia, and the available lumber supplies will all be needed there. Even such large cities as Moscow depend upon frame construction. It is not at all likely that Russia will be able to build up any considerable American trade. Russian timber is practically inaccessible to American markets. There are only a limited number of working-days in the lumber-producing sections in northern Russia—the working-days possible there in that climate do not exceed 30 days per year. I am indebted for this information to Russian Economic Notes No. 26, United States Department of Commerce, April 19, 1929.

#### PROFITS

Our lumber industries are not losing any money—some of them may be in trouble. The returns of 53 companies are available for the 7-year period preceding the year 1928, as well as for 1928. These companies show a percentage of profit of sales for the 7-year period on the average of 3.6 per cent. For the year 1928 these companies show a profit of 2.16 per cent. These companies, however, do not own their own timber. Twenty timber-owning companies had sales twice as great as all the rest—the profit of these 20 timber-owning companies in one year equaled approximately the profits of the 53 log-and-timber buying companies for the entire 7-year buying period. None of these companies are losing money, and the log and timber owning companies are making as much in profits as they can conscientiously make.

#### COSTS

According to estimates made by our Tariff Commission, the labor cost of producing lumber in British Columbia is greater than the labor cost of producing lumber in the United States. Hindu labor is employed in British Columbia, but it is paid no less than other labor is paid. Hindu labor is employed also in the United States—our lumber companies employ as much of it as they can get and they would employ more if it were available. The total costs, including labor cost, of producing lumber in British Columbia are greater than the total costs of produc-

ing lumber in Washington and Oregon. Our Tariff Commission reached this conclusion. The same facts are available from other sources.

#### SHINGLES

Shingles are largely a by-product of the lumber business in the United States. We make shingles in the United States largely out of the waste parts of logs.

Shingles imported into the United States from British Columbia sell on the market for a much larger price than our shingles for the reason that they are much better shingles, and in the construction of the better class of houses our builders use shingles from British Columbia. Over 80 per cent of the shingles manufactured in this country are by-product shingles. The Tariff Commission shows that it costs more to produce shingles in British Columbia than it does in the United States.

I could continue the argument along these lines almost indefinitely—the further we go into the subject the less the necessity appears for the enormous burden upon home builders of this country proposed by this bill. Shingles ought to be free; lumber ought to be free. We ought to conserve our own forests as much as possible. The imposition of these tariffs would quickly deplete our forests. If it is at all valuable to preserve forests, legislation ought not to be enacted which will result in their destruction. We have placed already in this bill enough burdens upon the farmer and upon the home builder of this country—the proposed tariffs on lumber do not alone affect that part of our population which proposes to engage in building operations—timber enters into every activity of life. The man who never expects to buy a splinter of timber will be affected injuriously by this proposed tariff. We can not operate our coal mines without the use of timber; we can not operate our river transportation systems without the use of timber; we can not operate our railroads without the use of timber; we can not build a fireproof building without the use of large amounts of timber; our telegraph and telephone companies can not operate without the use of timber. There is no activity connected with modern life which could exist without the use of timber, therefore, the plea I am making applies not only to farmers and home builders but it applies to every citizen who lives to-day in the United States, and it applies also to future generations. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. HAWLEY. Mr. Speaker, I yield eight minutes to the gentleman from Washington [Mr. HADLEY].

Mr. HADLEY. Mr. Speaker, of course there is not adequate time to discuss the various amendments. I will direct my remarks principally to the item of shingles, which is amendment numbered 371, but before touching upon that I want to discuss another item—amendment numbered 370—cedar lumber, which is not now under consideration during the discussion of the motion now pending. The motion that is pending or that was read for information does not touch cedar lumber at all, but deals wholly with other classes of lumber. I will not have the time to discuss it, but I want to get into the minds of the Members present this distinction. Cedar lumber embraces only about 2 per cent of the domestic production of lumber. It is a small quantity of a special class of lumber that is manufactured from cedar and used principally in beveled and bungalow siding in the higher classes of homes.

The motion that will be made with respect to cedar lumber will be on the same basis as the motion with respect to shingles. When the shingle amendment is offered it will provide for 15 per cent instead of 25 per cent which the House originally approved. The bill as it comes from conference carries 25 per cent, and the motion will provide for 15 per cent. The motion on cedar lumber, which will subsequently be made, will be upon the same basis, because cedar lumber and shingles are made from the same raw material under the same general labor conditions, the same general differentiations as to costs of production, and therefore they ought to both be put upon the same basis.

I think, perhaps, one of my colleagues will discuss this point, but I wanted to make it clear at the moment so this thought will not be lost sight of in the minds of the Members when they come to vote upon the item of cedar lumber, which is No. 370, appearing immediately before the general lumber item, which is No. 371.

Now, with respect to shingles, the situation of this great industry in the States of Washington, Oregon, and Idaho is desperate, but this is not a new story. It is an old story. It is not the result of mere temporary conditions which have come upon the country and upon industry generally within the last year. It is a situation which originated way back in the background of our tariff legislation.



I have lived 40 years in the heart of the cedar industry of this country, some in foreign territory and some in our domestic territory. I am familiar with its history and with the competitive conditions that have existed. I have studied the hearings. I sat in the committee seven weeks and heard the story of all industries as presented there, and I have also read the briefs. I served on three subcommittees when the committee was preparing the bill. I served with the committee when it reviewed all the subcommittee reports, and I say here without hesitation that from my knowledge not only of the record and of the official data in the record of the hearings upon this bill but backed by my personal knowledge of competitive conditions there is not an industry in America to-day that is in more distress or that needs more relief from the standpoint of protection than the red-cedar shingle industry of Washington, Oregon, and Idaho.

If this is so, and I assert it is so, because I know it to be true, then we are in the strange situation here of dealing with a separate industry in the maximum of distress when many items in this bill have been safely tucked away in the conference report for which I voted, and cheerfully voted, that do not contain a farthing of the equitable ground for relief that exists in the case of the shingle industry.

I have twice seen this industry rise and fall. Way back in the nineties, under the operation of the free list of the Wilson bill it declined, and then under the protection afforded by the dutiable list of the Payne bill, as well as the Dingley bill, it prospered, and continued to prosper until in 1913 the Underwood law again put shingles upon the free list. Then began our trouble. Mills began to grow in number in British Columbia where they had been reduced under our protective system until there was only one red-cedar shingle mill of which we have any record at that time in foreign territory.

The mills multiplied there and ours diminished. This has continued from that day until this good hour. Their increase in production in British Columbia for the period since the Underwood law has been 399 per cent, and, on the other hand, on this side mills have declined from an original peak of some 600 down to a point of 200 or fewer to-day.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. HADLEY. Yes.

Mr. JOHNSON of Texas. I just wanted to ask the gentleman whether the Fordney-McCumber bill put shingles on the free list?

Mr. HADLEY. Yes; and that was a great mistake. This House put a duty on shingles in 1921 and sent the bill to the Senate and the Senate struck it out. This is exactly what has happened again, and this suffering and distress with which I am so familiar in my State has gone on during these eight long years. Our people are waiting anxiously to-day to hear from this vote and appealing to this House for relief. Ten thousand laborers employed in the shingle industry are anxiously praying for your help. Thousands are idle and mills are closing. We have \$50,000,000 of invested capital engaged in this industry, exclusive of timber holdings, with a pay roll of \$10,000,000 or \$12,000,000.

The SPEAKER pro tempore. The time of the gentleman from Washington has expired.

Mr. HAWLEY. Mr. Speaker, I yield the gentleman seven additional minutes.

Mr. HADLEY. And what is the reason for this situation? The placing of shingles on the free list. It is just the ordinary case of being overrun by importations. From 550,000,000 shingles, or thereabouts, which we imported in 1913, this amount had increased to nearly 3,000,000,000, or multiplied 5.6 times, by the end of 1928.

It is the ordinary case of being swamped by importations in the absence of a necessary duty. That has continued until now, except for a little while last fall when British Columbia was anticipating the enactment of this law. Then accumulated orders were sprung on the country in anticipation of a duty, which temporarily slowed down importation until the law is enacted and until our market absorbs the unusual importations. So these importations have crushed the industry. Not only that, but the hard part of it is that these products are shipped through our territory to eastern markets. I know, because I live only 17 miles from the international boundary line.

The Tariff Commission has reported that in the shingle mills of British Columbia 45 per cent of the labor employed is oriental. Our domestic labor is 100 per cent American. I have not time to go into the wage scale. That is one of the many things that can not be analyzed in this brief time. The fact is the products of oriental labor are passed through our State to our eastern market. Foreign labor is fully employed, and American labor is idle.

The question presented to you here is whether you will continue by your vote to-day to maintain that situation or protect

American capital and American labor against the products of oriental labor.

Mr. FOSS. Will the gentleman yield?

Mr. HADLEY. I yield.

Mr. FOSS. Would the gentleman be willing to exempt from the paragraph the white-cedar shingles of the East?

Mr. HADLEY. I do not remember that as an issue in the hearings; to my recollection it was not stressed before the committees. I have no recollection of it in subcommittee. I do not believe that that commodity competes with our industry or in any substantial way with any American production; if it does not, I would be in favor of it.

Mr. FOSS. I do not think it would.

Mr. HADLEY. I would not object to excluding it, along with Spanish cedar, from the operation of the bill. We are all protectionists on this side of the aisle, believing in the traditional policy, and yet there is objection in some minds because of the fear of added cost to the consumer.

God knows that I do not wish to add unnecessary or unreasonable burdens or additional cost to the consumers, but it will not add to the cost of the consumer in my opinion. I have studied the subject, and studied it fairly and deeply. Substitutes have controlled prices for years, and they are controlling prices to-day.

The fact is that only 11 per cent of the roofing values of the country to-day lies in wooden shingles. Only 11 per cent are wooden shingles. There you have 89 per cent in competition, which controls the price and any rise in cost is necessarily absorbed and can not reach the consumer. So that this fear that an increase in price of shingles would ever be visited on the consumer in any appreciable amount is without foundation. Prices to-day are only 50 per cent of what they were a year ago, according to advices which I have recently received. If I were to bring here telegrams and communications appealing to the Congress for relief, which I have received, I would not have time to present them, even if you gave me all of the remaining time. They are not sent here for propaganda purposes. I know propaganda when I see it. We learn to know and recognize that. They are representations of fact that come to me—come from the hearthstones and firesides of both capital and labor.

The SPEAKER pro tempore. The time of the gentleman from Washington has again expired.

Mr. HENRY T. RAINEY. Mr. Speaker, I yield now to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN of Missouri. Mr. Speaker and Members of the House, coming as I do from one of the great industrial centers of the country, representing a district where hundreds of great manufacturers are located and a constituency 85 per cent or more being employees, naturally I am interested in this tariff bill which means so much to the American people.

I am one who pledged myself in the campaign of 1928 to support the Democratic nominee's tariff policy. That now famous telegram read as follows:

Republican campaign management is trying to frighten business with the claim that country can only be prosperous under Republican rule. They willfully misrepresent the Democratic Party's attitude on tariff. We are asking every Democratic candidate for Senate and House to permit us to sign his name to following declaration: "We, the undersigned Democratic candidates for the House and Senate, reaffirm the allegiance of our party to a nonpartisan Tariff Commission as enunciated in the Democratic platform adopted at Houston, and declare our approval of the constructive interpretation placed on the tariff plank by our standard bearer, Governor Smith, in his Louisville speech, when he said, 'I definitely pledge that the only change I will consider in the tariff will be specific revisions in specific schedules, each considered on its own merits on the basis of investigation by an impartial Tariff Commission and a careful hearing before Congress of all concerns. That no revision of any specific schedule will have the approval of the Democratic Party which in any way interferes with American standard of living and level of wages. In other words, I say to the American workman that the Democratic Party will not do a single thing that will take from his weekly pay envelope a 5-cent piece. To the American farmer I say that the Democratic Party will do everything in its power to put back into his pocket all that belongs there, and we further say that nothing will be done that will embarrass or interfere in any way with the legitimate progress of business, big or small. With this prescription honestly put forth with a clear-cut and definite promise to make it effective, I assert with confidence that neither labor nor industry nor agriculture nor business has anything to fear from Democratic success at the polls in November.' And we hereby pledge our cooperation in carrying out the principles and policies therein set forth." Will you please wire immediately, telegram collect, permission to sign your name?

I stand ready now and will always be ready, as long as I am a Member of this House, to carry out that pledge. I do not

propose to violate that pledge and feeling that this bill will disturb the American standard of living and level of wages, that it does not put back in the pocket of the farmer all that belongs there, because while you intend to give the farmer an increase in the price of his products you provide that he must pay an additional amount for his necessities, putting money in his pockets with your right hand, but extracting it and more besides with your left, and, further, it is my opinion that this bill will disturb legitimate business, both large and small. Therefore it is in direct contrast to the policy I agreed to support.

If, as the proponents of a prohibitive tariff proclaim, the higher the tariff the higher the standard of living, why do we find millions of our citizens out of employment at the present time with the highest tariff rates in the history of the country being charged at our ports of entry? If, under the present tariff act, we find our people suffering, many actually deprived of the necessities of life, where is the justification for increasing the rates?

If the measure offered any encouragement to the unemployed, promised a higher standard of living, or an increase in wage to toilers, criticism would not be in order. To me the new tariff bill presages further unemployment and suffering among the people of the large cities and no indications of better conditions for the farmer.

Gangsters and racketeers have never made a raid upon the family pocketbook such as this bill will accomplish if in the end it becomes a law.

The law will be welcomed with open arms by those who have sought special privileges at the hands of the Republican Party. Running true to past performances you have looked after the interests of the special classes.

True, the agricultural interests have been recognized more liberally by the Senate than by the House, but how dearly those who till the soil will pay for the so-called protection afforded products of the farm in the bill. I predict that for every dollar of benefit the farmer receives he will pay ten for the necessities of life he must buy in a protected market, higher by far than ever in tariff history.

While the industrial leaders have seen to it that they were not overlooked, the representatives of the farmers have done well for their constituents, but what has been done for the great masses who reside in the urban centers? Overburdened as they are by the high cost of living, they are asked to pack an additional load that will swell their tariff contribution nearly a billion dollars annually.

While practically every article that appears on the family table will increase in price if the increase in tariff means what is intended, the outstanding example is the increase in the duty on sugar. The House bill carried a rate of 2.40 cents per pound while the Senate reduced this to 2 cents. Therefore the rate on sugar will be between 2 and 2.40 cents. Regardless of the result it is an increase, as the prevailing rate is 1.70 cents per pound. And why? To protect the small cane and sugar beet industry of this country. The additional cost to the American people that will result in the increase in the tariff on sugar for a few years would, according to experts, be sufficient to purchase every beet and cane sugar plantation in the United States.

Starting at the breakfast table, the housewife will find that the price of fruit advances because you recognize it in the bill. This with the sugar for the coffee, the bacon, butter, and even eggs all will require more money when the purchases are made.

When the children come home to lunch for their vegetable soup the housewife again finds her budget increased for every vegetable as well as the meat advances in price.

And what happens at the evening meal? Tired from a hard day's toil, the husband looks forward to a plate of Irish stew. The potatoes, the onions, the meat, and other ingredients all up in price due to the increases in this bill.

Passing from the family table to the furnishings of the home, a review of the bill shows an increase on every article used by the housewife from the foot mat at the front door to the garbage can at the back gate. The carpets and the furniture, the sewing machine, and even the thread, the radios and pianos, the silverware and kitchen utensils as well as the laundry equipment, all have been recognized and an increase provided. Following this it is impossible to find an article classed as wearing apparel that will not go up in price, including shoes, heretofore on the free list. On top of this, for the first time in history, there has been placed a tariff on bricks, cement, lumber, and shingles, which are necessary to construct the homes. If this prevails in the end, it will cost the working man more to construct a house than it does to-day.

While there has been no additional tariff placed on automobiles—that is, the finished product—still every part that enters

into the manufacture of an automobile has been granted an increase.

In considering the flexible provisions it must be borne in mind that it will be several years, at least, surely not during the present administration, before there is another general revision of the tariff law. I am unwilling to continue to place in the hands of any one man the power now extended to the President to raise or lower existing duties 50 per cent. Should the country be so unfortunate as to have in the White House a President who entertained extreme views on the tariff question, he would be in a position to shake the very foundation of the country if he so desired by either raising or lowering all existing rates.

I feel that the amendment of the Senate is much more desirable as it places the responsibility upon Congress to adjust rates, thus following out the thought of the framers of the Constitution. I shall therefore support the Senate amendment when the vote is taken.

The prosperity of this country to a very large extent depends upon its ability to find a market to absorb its surplus. This applies not only to industry but also to the farmer. There has been a continuous reduction in our exports for the past year, as shown by the figures of the Department of Commerce. What is the ultimate result when there is no market abroad for American-made goods? There is but one answer. Slow up in production, which means shorter hours for the workman. When you reduce the hours of labor you curtail the earning power and likewise curtail the purchasing power, lowering the standard of living.

The decline in exports results from a reduction in the purchasing power of the people abroad. In order to retain their purchasing power foreign countries must have a market for their products. When you throw a tariff wall around the United States, building it so high that you practically eliminate foreign competition, you automatically affect the purchasing power of foreign countries, thus seriously affecting the export business of this country, which is so necessary to our welfare.

The great corporations of this country enjoying prosperity are practically given a free hand to raise the price of their products to the American people by the increase in tariff rates which all but shuts out foreign competition.

Improved machinery, resulting in lower price of production, has affected the laboring man. Compare the average number of men employed in industry and the production 20 years ago with the average number employed in the same industry, together with the production to-day and you will find while the production has doubled or trebled, the number of men employed has in some instances been cut in half. Still rather than a reduction in price of the product you will find it has steadily increased, although there has been a marked reduction in cost of operation. This condition continues, and the end is nowhere in sight.

I yield back the remainder of my time.

Mr. HENRY T. RAINEY. Mr. Speaker, I yield now two minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Speaker, I attempted to interrogate the chairman of the committee with reference to one feature of the bill, and I think that we are entitled to some explanation concerning it. The gentleman has indicated that at the proper time he will move to concur in Senate amendment No. 371, with an amendment reducing the tariff to 75 cents per 1,000 feet and striking out from the present provisions of the Senate amendment the words "railroad ties, and telephone, telegraph, trolley, and electric-light poles of any wood." Do I understand the gentleman correctly that that is his purpose?

Mr. HAWLEY. That was the statement that I made.

Mr. BANKHEAD. In other words, Mr. Speaker, the gentleman proposes to put a tariff on the importation of lumber which would have a tendency, I think, to increase the cost to the cotton farmer in the South who wanted to build a cotton shed or the potato grower in Maine who wanted to build a potato shed, but the gentleman deliberately proposes to exempt from the provisions of the tariff and leave upon the free list hundreds of thousands of dollars' worth, if not millions of dollars' worth, of material to be used by the great railroad companies and telegraph companies of the country. They are to come in free of tax, free of duty. I think the gentleman owes it to the House to let us have some explanation, if he can, of the theory that justifies an exemption such as he has indicated.

The SPEAKER pro tempore. The time of the gentleman from Alabama has expired.

Mr. HENRY T. RAINEY. Mr. Speaker, I yield five minutes to the gentleman from Louisiana [Mr. O'CONNOR].

Mr. O'CONNOR of Louisiana. Mr. Speaker and gentlemen of the House, the old order changeth, yielding place to the new. That was in a measure evidenced by the statement made by our distinguished friend from Georgia [Mr. CARR], in reference to



telegrams and letters that he was receiving in regard to the lumber schedule of the tariff bill. Many other Members from the South have received telegrams and letters urging them to vote for a tariff on lumber. I did not need such a telegram or letter. I am a protective-tariff Democrat. [Applause.] I belonged to that school long before the Houston convention declared for it. The only reason in years gone by that the Democratic Party protested against the tariff, so far as I could see, was that it was in derogation of the principle of equal rights to all and special privileges to none; but when the Congress broadened out a restrictive principle and applied the tariff to all American products, then it became consistent with the Democratic platform at Houston, and every Democrat on this floor can vote for the tariff that is before us. [Applause.]

I have no desire to criticize those who differ with me upon this subject. Notwithstanding my apparent difference from those on the Democratic side, I can not forget that I was born and reared among them and that their traditions and history are mine; but I believe, even though I may subject myself to the charge of vanity as a result of this statement, that my eyes are opened to the coming day and that they are still laboring under the memory of the past and struggling in the dead but still mighty grasp of Mortmain. The gentleman from New York [Mr. CROWTHER] on the floor yesterday spoke of the wonderful transformation in the Southern States, showing manufactured products of Texas alone of over a billion dollars, and other States in a commensurate way.

This all shows tremendous, giant strides on to prosperity. I have no criticism to offer of those who believe we ought to ask for protection for the industries of their own States and then vote against a tariff bill, but so far as I am concerned, if I ask for protection to the industries and the products of my State, I am willing to go through and give protection to the products of other States that stand at least upon an equal basis with the products of my own State. [Applause.]

If the rest of the world were upon a free-trade basis, we too might be for free trade, but that is utterly impossible, because there is no country on the face of the globe that pretends to civilization which does not enjoy tariff protection to-day. It is institutional with us, it is almost like the Constitution of the United States; it is impregnably entrenched in the fabric of our affairs. If I may be pardoned for it, I ask my colleagues from the South to turn their eyes to the rising sun and view the coming day, because it is the South that is looking for protection more and more every day. The man is blind to the facts of human existence who does not know that the lumber industry of the South gives employment to thousands and thousands of men who are asking us for the protection that we are going to give them in this bill to-day. [Applause.]

Mr. HENRY T. RAINEY. Mr. Speaker, I yield five minutes to the gentleman from Minnesota [Mr. CLAGUE].

Mr. CLAGUE. Mr. Speaker and ladies and gentlemen of the House, for the past year I have given very careful consideration to the question of a tariff on logs, lumber, and shingles. I have always been opposed to a tariff on these items. I opposed it before the Ways and Means Committee of the House, the Senate subcommittee, and am now opposed to this tariff. My constituents are a unit in opposition to the proposed tariff on these items. It would not only be an additional heavy burden upon our farmers, but also upon every home builder in the United States.

The chairman of the committee [Mr. HAWLEY] a few moments ago called attention to the extra cost that would be added to the expense of constructing a frame building with the proposed tariff of 75 cents on logs and lumber instead of \$1.50, and stated that on a building where only 8,000, 10,000, or 12,000 feet of lumber were used the extra cost would be very small. For instance, he stated that in a building using 12,000 feet of lumber the additional cost would be only \$9.

I take issue with that statement. In the district which I represent, and I dare say in most other parts of the United States, they use only a small amount of rough lumber for building. It is shipped to our section of the country as dressed lumber. Most of our lumber comes from the west coast, and if it were shipped in the rough the additional freight rate would be at least \$1 a thousand, and after it has been rehandled and dressed it adds a further expense, and for that reason it is not shipped in the rough, but it mostly comes in as dressed lumber.

A few moments ago I talked with a very prominent builder who has had wide experience in the construction of all classes and kinds of buildings during the past 20 years and who is a Member of this House, the gentleman from Chicago [Mr. SPROUL]. I asked him what proportion of lumber used in the construction of buildings in the Middle West was rough lumber. He stated that there is practically none, and, further, that instead of only adding 75 cents a thousand feet this would be

pyramided several times, and the extra freight for having it shipped in the rough and then dressed would mean an additional \$4 or \$5 per thousand.

Mr. HAWLEY. The kind of lumber that I referred to was entirely rough lumber.

Mr. CLAGUE. There is not one building in a thousand that is built in our section of the country entirely of rough lumber.

Mr. CRISP. Mr. Speaker, will the gentleman yield?

Mr. CLAGUE. Yes.

Mr. CRISP. The effect of the speech of the gentleman from Oregon would be to create the impression on the part of the House that such a tariff would entail an additional cost of only \$9 on a house.

Mr. CLAGUE. Yes. There could not be any other impression. If we did not have that lumber dressed, the freight rate would be much higher.

Mr. CROWTHER. What is the duty on the undressed?

Mr. CLAGUE. If it were not dressed in sizes under 4 inches there would be no duty, and if it is undressed before shipment the freight will cost more than the 75 cents for the reason that if it is hauled in the rough into the United States it has to be unloaded, dressed, and rehandled. We pay freight on the waste, and therefore, the increased freight rate and extra cost would mean an additional expense to the consumer of \$4 to \$5 per thousand.

Mr. CROWTHER. Will the gentleman yield for one question?

Mr. CLAGUE. I am sorry, I can not for want of time. Unemployment has been mentioned as existing in the lumber and shingle sections in Washington and Oregon. I am sorry that you have unemployment, but if we could purchase lumber and building material at a more reasonable price so that the farmers and home builders of this country could do more building and make other needed improvements, then you could sell your lumber and building material, which would not only give employment to your people who work in the lumber and shingle mills, but would also give employment to hundreds of thousands of men in the construction of new buildings, and making needed improvements. If you put a tariff on these items, unemployment conditions will be worse than they are to-day.

I now wish to call your attention to these charts. I would like to have some of the proponents of this proposed tariff explain this.

Mr. JOHNSON of Washington. I can explain it.

Mr. CLAGUE. You can do it in your own time. Look at this chart. It is very illuminating. This chart shows the "water-borne" shipments of softwood lumber to all ports of the world from the Pacific coast for the year 1929. The total amount was 5,536,184,720 board feet. British Columbia only exported 14.4 per cent of the total amount. All the balance was shipped from Washington and Oregon. In other words, about seven times as much softwood lumber was shipped from Washington and Oregon as from British Columbia. During the same year Washington and Oregon shipped about three times as much lumber and logs to China and Japan as British Columbia. This being true, how is it that the log and lumber dealers in Washington and Oregon can outbid the dealers in British Columbia if it costs more in the United States?

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. CLAGUE. I regret I can not yield.

Mr. JOHNSON of Washington. I can answer that question.

Mr. CLAGUE. I ask that you explain that in your own time.

Mr. CRISP. Mr. Speaker, I make the point of order that the gentleman from Washington is out of order. The gentleman from Minnesota declined to yield, and he is entitled to protection.

The SPEAKER. The gentleman will proceed in order.

Mr. CLAGUE. Is not that peculiar? These water-borne shipments were about seven times as much from Washington and Oregon than shipments from British Columbia. More than three times the lumber and logs were shipped from Washington and Oregon to Japan and China than from British Columbia.

The gentleman from Iowa [Mr. RAMSEYER] called your attention to this second chart, and to which I wish to call your attention. It shows the softwood lumber that was shipped to Europe in the year 1929; from British Columbia, 69,000,000 feet; from Washington, 196,000,000 feet; and from Oregon, 88,000,000 feet. Four times as much was shipped from Washington and Oregon to Europe as from British Columbia. How could that be done if it costs more to produce this lumber in the United States than in British Columbia? How could Washington and Oregon dealers outbid dealers in British Columbia?

Now, I wish to call your attention to this third chart, which shows the trade between the United States and Canada for the year 1929.

The total value of the goods exported from the United States to Canada was \$948,440,000.

We imported from Canada during the same year \$503,447,000.

This shows a balance of trade in favor of the United States for the year 1929 of \$444,993,000.

These are not my figures. They are the official figures from the Department of Commerce. The total lumber shipments imported from Canada the past year have been a trifle under 5 per cent.

The gentleman from Washington [Mr. JOHNSON] asked how we would like to have the farmers in Canada, just across from Minnesota, ship butter, cream, potatoes, and other farm crops into the United States, and compared these things with the imports of lumber. This is not a fair comparison. The imports of logs, lumber, and shingles can not be compared with farm products, for the reason that farm products are produced annually. The lumber and shingles that we import from Canada are from trees that have taken from 75 to 100 years to grow.

We are rapidly depleting our timber supply in the United States. We have to use a large amount of white pine and spruce in this country, and in order to get the needed supply we have to import from other countries. Owing to the rapid cutting and consumption of our timber in the United States it will only be a few years until our entire supply is exhausted. There is no denying the fact that we have in the past greatly wasted much of our good timber. Forty years ago we had an abundant supply of white pine and other valuable timber in Minnesota, Wisconsin, and Michigan. A large part of this was owned by the State and the United States. If this had been carefully conserved we would have had a supply for many years to come. Large lumber companies induced the United States and the States to sell its stumpage at low prices, and as a result the timber companies who purchased the same cut off all the good timber as quickly as possible and wasted hundreds of millions of feet of timber that should have been conserved. Little has been done in the way of reforestation. Softwood timber is being depleted nine times as fast as it is now replaced, and at our present consumption pace our timber supply in the United States will be exhausted in a very few years.

Something has been said about timber imported from Russia. Nearly all the lumber imported from Russia is spruce. It only comes in competition with similar wood from eastern Canada. It is a wood nearly identical in appearance and texture with the spruce formerly grown in the Eastern States. This imported spruce from Russia is very expensive and too costly for building construction. It sells in the United States at \$10 to \$15 per thousand feet higher than similar sizes and grades of yellow pine, Douglas fir, or western hemlock. The imports from Russia for the year 1929 were less than 39,000,000 feet board measure, as reported by the Department of Commerce. This is less than one-fifth of 1 per cent of the total lumber production in this country. The amount imported is so small, and owing to its high quality, it can never be a menace to the lumber industry of the United States.

What I have said regarding free logs and lumber applies equally to free shingles. Practically all our good shingles come from British Columbia. According to the report of the Tariff Commission, the cost of manufacturing shingles in British Columbia is practically the same as it is in the States of Oregon and Washington. According to the best statistics available, about 75 per cent of the wood shingles sold are used upon the farms and in small villages. Substitute shingles are used in large quantities in the cities. If a tariff is placed on wood shingles, it not only means a higher price for wood shingles but also an increased price for all substitutes. It is estimated that 46 per cent of the lumber used in the United States is used in the construction of farm buildings.

It is my judgment that if these tariffs are placed upon logs, lumber, and shingles it will mean an additional burden to the consumers of the United States of at least \$150,000,000 per year, with no increased benefit except to the large timber owners. It is reported that 2 companies own over 60 per cent of the standing timber in Montana, 11 companies own over 70 per cent of the timber in Idaho, 1 company owns over 36 per cent of the standing timber in western Washington, and 8 companies own nearly 70 per cent of the standing timber in Washington. A few large timber owners own the great bulk of the standing timber in the United States. These large timber owners would be benefited by a tariff.

Since 1913 lumber in the United States has been on the free list. The price of lumber to-day is nearly 100 points higher than in the year 1913. This means that lumber that would cost \$100 in 1913 will now cost nearly \$200. The agricultural States of the Mid-Northwest are now wholly dependent for their supply of lumber and shingles on outside sources, and while the price of

lumber has nearly doubled, the increased freight rates since 1913 have greatly added to the cost of both lumber and shingles.

Between the years 1920 and 1928 practically all the lumber mills on the Pacific coast were prosperous. Income-tax reports for the year 1929 show that a large number of lumber and shingle mills in Washington and Oregon that own their own timber have prospered, and they are now prospering. The cost of producing lumber and shingles in Washington and Oregon is practically the same as in British Columbia.

Logs, lumber, and shingles should be left on the free list and sold at a price that farmers can afford to pay. This will help place agriculture on a parity with other industries. Let us help to place agriculture on its feet, and when this is done there will be a demand for lumber and shingles that will give employment to your people in the West and also to hundreds of thousands of people throughout the country.

Mr. HENRY T. RAINEY. Mr. Speaker, I yield three minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, ladies and gentlemen, during the debate on the tariff bill and now again on the conference report the Republican Members have, in the hope of influencing the Democrats to support some of the outrageously high provisions embodied in this bill, frequently called our attention to the last Democratic platform and Governor Smith's declaration that we are pledged to the principle of protection. As one of the Democrats who has pledged himself on the so-called Raskob telegram, I am satisfied, speaking not only for myself, but for the majority of the Democratic Members, that we have been and are ready now to carry out our pledge to the fullest extent; but, nevertheless, that is not the case with you Republicans.

We have promised to vote for a tariff bill that will protect the American wage earner and will help those industries that actually require protection, but we did not promise to build a Chinese wall around our country by voting unjustifiably high duties on commodities manufactured by monopolies and trusts whose reports show that they have paid dividends in cash and in stock in many instances amounting to two and three hundred per cent and sometimes as high as a thousand per cent, notwithstanding the paralyzed condition of the rest of the Nation.

In your arguments you do not mention these facts, but advocate and plead for these increased duties for these colossal trusts and monopolies on the pretext of protecting the American laboring man. You talk of low wages paid to labor in foreign countries and the high wages paid to labor in the United States, but you do not give the reduction of wages during the last few years and the 6,000,000 unemployed, and this notwithstanding the present high tariff law; nor do you call attention to the fact that you have failed in these crises to protect the American laborer from cheap Mexican, Canadian, and West Indian labor that is permitted to enter the United States without restriction by the thousands for no other reason than that these very prosperous industries want them and can hire them at much lower wages, and still you have the temerity to proclaim that you are endeavoring to protect the American wage earner. I have pleaded to restrict Mexican, Canadian, and West Indian immigration to the same extent as now forced upon European immigration, but the railroad companies, the Sugar Trust, the Lumber Trust, the power companies, the cotton planters, have such control and influence over you and your party that I have been thwarted in every move and effort.

Mr. Speaker, ladies and gentlemen, I concede that statements made on the floor of this House concerning the unfortunate large unemployment are true and appalling, and I assure you that no one regrets these deplorable conditions more than I do, but I feel that this legislation will not relieve the situation nor remedy conditions.

Ever since 1922 we have had the Fordney-McCumber tariff law, the highest protective tariff in the history of the United States. I recall the promises of prosperity that were made and held out to the American wage earners and the great benefit to be derived by the Nation if the Fordney-McCumber bill would pass. It did pass and what are the facts? Have wages been increased? Is the country prosperous?

For years these overfavored industries have, in violation of law, merged and combined, thereby throwing out of work thousands of men and women, who, if fortunate enough to be re-employed, are rehired at greatly reduced wages, and now you are giving these selfish, grasping monopolies additional protection. The records of these industries show that by their tremendous accumulated wealth and profits they have been able to invest millions and millions of dollars in various foreign countries and have built plants and factories there and are manufacturing their products which they formerly manufactured in the United States with American labor. This policy should be condemned, and I am ready to vote for as high a tariff as possible on all



articles manufactured by American companies in foreign lands as you will dare place on them in this bill.

This is but one of the many reasons for the vast unemployment. The main reason, however, is due to the shortsightedness of the policy of the Republican administration, which is destroying the friendship and confidence which our country has enjoyed with the nations of the world and who are now boycotting American goods, thus making it impossible for us to export our tremendous surpluses of manufactured as well as agricultural commodities, forcing the suspension of many of our industries, and robbing the farmer of an opportunity to export his surplus wheat, corn, and other products, thereby destroying his potential purchasing power, which naturally depresses all the business of the country.

Just now you are trying to force through a schedule placing a heavy duty on all kinds of lumber that is intended for the construction of small homes in the city as well as in the country, but you place on the free list railroad ties, telegraph, telephone, and power poles to help the railroads, public utilities, and the Power Trust. This is not the only schedule of this type that places an additional burden on the consumers and the masses, and places on the free list articles used and required by the industries that are highly protected. How it is possible for you gentlemen to get away with such injustice is beyond my comprehension.

This afternoon we will vote on the sugar schedule, and I am satisfied that under existing conditions it will be only possible for us to vote for the lesser of two evils and not for a reduction, as we should. We will be compelled to choose between the Senate amendment of \$2 per hundred pounds or the original House rate of \$2.40 per hundred pounds, notwithstanding the fact that the commission that investigated the sugar duty reported the present rate of \$1.76 should be reduced. Instead of that you are increasing it.

I wish to insert as part of my remarks the statement of Congressman CRISP, a recognized authority, and I know that no one can deny his knowledge of that schedule or could question the correctness of same:

Among the tax burdens which bulge the pending tariff bill the proposed increase of duty on sugar stands as the least justified and the most indefensible. For over 100 years the Government by bounties in tariff acts has attempted to build up a hothouse sugar industry. Today, in continental United States, we produce only one-sixth of the sugar consumed. The American people are compelled to pay millions of dollars in tribute to the sugar producers. A tariff of 2 cents or more a pound will simply enrich Americans operating in the Philippines and our other possessions at the further expense of the American consuming public. There are 23,000,000 families in the United States consuming 80 per cent of the sugar used, and upon these will fall the burden of the increased tax proposed for the benefit of a flourishing monopoly.

As I said before, I am ready, willing, and eager to vote for protection for the American laboring man and the worthy industries, but I do not vote for this bill because, instead of protecting the American wage earner, you are protecting from competition the trusts and monopolies who, under the present law, have been able to mulct, yes rob, the American consumer of millions, as shown in their reports, whenever they desire to unload millions of additional shares of watered stock on the public on the strength of tremendous profits and large dividends, while on the other hand, they appeal here for a high protective tariff on the showing of a weak financial report and threatened bankruptcy.

I also wish to insert a statement of a great tariff student, the lady from New Jersey, who has the interest of the ladies at heart:

While it is impossible at this time to name all of the 20,000 items contained in the bill, and include in the conference report submitted to the House, a few of the outstanding items relating to the necessities of life and of particular interest to women are in order. Handkerchiefs, a necessity, will be increased  $3\frac{1}{2}$  each. There has been placed a 10 per cent tax on hides, which should have remained on the free list,  $12\frac{1}{2}$  to 30 per cent on leather and 20 per cent on shoes. This means that a \$5 pair of shoes will cost \$1 a pair more and a \$10 pair of shoes \$2 a pair more. This bill is an outrage and the people of the country should rise up against a condition that will permit a majority party to not only tax the clothes they wear but also upon their table.

The charges, made in former years that these inequities are made possible and that these specially protected industries are securing this unwarranted high protection because of the large contributions to the Republican campaign fund which made possible the buying of elections, have been denied. But these charges can no longer be dismissed with a grand gesture as GRUNY, the chief lobbyist, has been obliged to confess that

protection was granted according to contributions made to the Republican campaigns.

It is indeed unfortunate that the people of the country are obliged to suffer for the Republican Party's machinations and double-dealings. In order to secure the support and vote of the agricultural communities in the West and Middle West they pledged special protection to them. But on the other hand, they pledged to the New England interests, in restitution for the millions needed to elect Hoover, special protection which has been embodied in this bill and which will increase the profits of New England's industries to the detriment of not only the farmer but all the people of America.

Due to the duplicity and double-dealing to secure the election, the country finds itself hamstrung and practically prostrate because the uncertainty of a year's dillydallying with this tariff legislation has played havoc with every industry and business in the United States and has added to the depression and ruinous situation and the unemployment of millions of American citizens.

Mr. HAWLEY. Mr. Speaker, I yield five minutes to the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER of Wisconsin. Mr. Speaker, ladies and gentlemen of the House, I am going to support and vote for the amendment offered by the distinguished chairman of the Ways and Means Committee, to recede and concur in Senate amendment No. 371 with an amendment. [Applause.]

I am one of those who favor a restrictive immigration quota and a protective tariff to protect the industries and labor of the American people from unfair competition with cheap foreign products.

I am amazed to find now in the great Southland Members who will stand on the floor of this House and advocate the principle of voting to keep out all aliens from entering our country, who also stand up repeatedly and advocate that the product of alien labor and industry should come here unchecked, in unfair competition with our American workmen and industry.

I remember not many months ago when nearly every Member of the delegation in the House from the great State of Wisconsin sat in solemn conference and signed a request to the Ways and Means Committee to have changes made in the bill as originally reported. We asked for a protective tariff to protect the calf-tanning industry in our great State, which has been driven to the wall through the excessive importation of cheaply produced foreign leathers. We asked for an increased tariff in the dairy and other farm-products schedules. This protection for the calf-tanning industry and much of the increase for dairy and farm products was included in the tariff bill and was incorporated in the portion of the conference report which the House recently adopted. Yesterday many of those who requested protection for the calf-leather tanning industry and the additional protection for products of my State were on the opposite side of the roll call voting against the very things that our delegation asked for. I am very grateful that Members of the House, including those Members from the States which need protection for the lumber industry, stood up in their places and voted to accept that conference report and help the farmers, industrial workers, and industries of my great State. [Applause.]

The problems of the industrial worker and the farmer are closely interwoven, and I am surprised to find advocates of protection for the farmer, like the gentleman from Iowa [Mr. RAMSEYER], opposing this needed tariff to protect the workers in our lumber industry, and calling attention to the fact that said tariff will result in unfavorable relations with Canada with reference to the proposed St. Lawrence waterway. If we would follow the position of the gentleman from Iowa [Mr. RAMSEYER], we could not but reach a conclusion that the gentleman from Iowa should also stand on the floor of the House and advocate that we leave Canadian cheese, Canadian butter, other Canadian dairy products, and all Canadian farm products come over our border without any tariff and compete with the products of the American farmers. [Applause.]

It is remarkable that many of our southern Democratic friends, particular in another body, weep crocodile tears while expounding and advocating a high protective tariff for the products of their own State, and then oppose as bitterly as they can protection for the products of other States. I can not understand the Representatives from the great Southland who advocate that all immigration be stopped in the name of protecting American workmen standing on the floor of the House and opposing a tariff which is necessary to prevent unfair competition of the products of those aliens while residing in their own country. I am one of those who voted against the Blease amendment to the cement schedule. We were told that if the Blease amendment was not adopted the costs of the subways

in New York and of roads in the Southern States would be higher.

If that is a good reason for bringing the cheap foreign cement, produced by alien labor, to this country, to lower the cost of subways in New York City and the roads in South Carolina, I submit the cost could be further reduced if legislation would be enacted to exempt alien workers for those projects from the immigration quota, and have each ship that brings in the foreign cement also transport the alien workers. [Applause.]

The motion of the gentleman from Oregon [Mr. HAWLEY] properly retains telephone, trolley, electric-light, and telegraph poles of cedar or other woods on the free list.

These poles are not manufactured, only the limbs and outer bark being removed, all other processes of manufacture, such as shaving, roofing, ginning, and creosoting, being done in this country by American labor; there is, then, no question of competition with manufactured lumber.

Mr. HENRY T. RAINY. Mr. Speaker, I yield the balance of my time to the gentleman from Missouri [Mr. LOZIER].

The SPEAKER pro tempore. The gentleman from Missouri is recognized for 20 minutes.

Mr. LOZIER. Mr. Speaker and Members of the House, until I shall have completed my statement I will decline to yield, after which I will be pleased to answer any question which may be propounded to me. I opposed and voted against placing a tariff tax on cement and I will vote against putting a tariff tax on lumber.

I desire to preface my remarks with a quotation from a speech made by a very distinguished American, a former Member of this House and subsequently a Member of the Senate of the United States, and in my time I will ask the Clerk to read what this outstanding American publicist had to say about placing a tariff tax on lumber.

The SPEAKER pro tempore. Without objection, the Clerk will read the quotation.

There was no objection.

The Clerk read as follows:

During the entire war, when we were seeking everything on the earth, and in the skies, and in the waters under the earth, out of which taxation could be wrung, it never entered into the conception of Congress to tax breadstuffs—never. During the most pressing exigencies of the terrible contest in which we were engaged, neither breadstuffs nor lumber ever became the subject of 1 penny of taxation. \* \* \* Now, as to the article of lumber, I again remind the House that there has never been a tax upon this article. The gentleman from Ohio may talk on this question as he pleases; but I say that wherever the western frontiersman undertakes to make for himself a home, to till the soil, to carry on the business of life, he needs lumber for his cabin, he needs lumber for his fence, he needs lumber for his wagon or cart, he needs lumber for his plough, he needs lumber for almost every purpose in his daily life.

Mr. LOZIER. You have listened to a statement made by one of the greatest American statesmen. That is not the language of Thomas F. Bayard, Allen G. Thurman, John G. Carlisle, Daniel W. Voorhees, George G. Vest, Woodrow Wilson, William J. Bryan, William R. Morrison, Frank Hurd, or Oscar Underwood; it is not the language of any Democrat, Progressive, or pseudo-Republican, but it fell from the silver tongue of a man who for more than a generation was the idol and high priest of the Republican Party, James G. Blaine, the Plumed Knight of the Republican Party. [Applause.]

Had it not been for his caustic remarks comparing Roscoe Conkling to a proud, strutting turkey gobbler, Mr. Blaine would undoubtedly have been President of the United States. His Republicanism has never been and can not be questioned. During three or four of the most important decades in the history of our Nation he was undeniably the most popular and brilliant Republican leader, and his commanding genius won the admiration of Democrats as well as Republicans. He was one man that the rank and file of the Republican Party permitted to enter its party's holy of holies and eat its political shewbread without let or without hindrance. Mr. Blaine called the attention of his party and the country to the fact that when the great Civil War was raging, when the life of our Nation trembled in the balance, when we were seeking every possible subject and object of taxation in order to raise revenue to carry on the great Civil War, no one ever had the temerity to suggest that a tax be laid upon lumber, which would be a tax upon every family in the United States. The present leadership of the Republican Party, in trying to impose a tax on lumber, are disregarding the wise counsel of their great Republican leader, Mr. Blaine, who vigorously opposed any tariff tax on lumber as an unnecessary burden on every family, rich and poor.

I want to quote from another eminent Republican, Representative John A. Kasson, of Iowa, who years ago in opposing a tariff on lumber said:

And now what does this bill do? It raises the tariff on lumboer, which is so necessary to the western prairie farmer; on nails, without which he can not drive his boards on his house or build his fence; and on salt, without which he can not preserve his beef and pork. There is hardly a thing we consume which this bill forgets to raise the duty upon. Every prominent necessity of life—fuel, shelter, and clothing—is embraced and made more expensive to the consumer throughout the country. Even on boys' pocket knives the duty is increased about three times, 600 per cent, and yet it is said this is a tariff for mere protection.

I might quote statements from scores of eminent Republicans who, while believing in the policy of protection, opposed a tariff on lumber, sugar, and many other commodities which the masses are compelled to buy. With your indulgence, I will bring to you the views of a few men who occupied high and influential positions in the Republican Party and whose party zeal and loyalty have never been questioned. As my Democratic colleagues are almost unanimously opposed to a tariff on cement and lumber, I am going to try to convert some of my Republican colleagues to vote in favor of their constituents and against a lumber tariff. I shall not quote from any Democrat, but I shall endeavor to establish my case by the testimony of Republicans of nation-wide influence. I do this in order to demonstrate that the present Republican leaders have traveled far from the faith and ideals of their political party, and in the pending bill have abandoned the platform and teachings of the men who guided and controlled the Republican Party during the most brilliant period of its history.

Representative (afterwards Senator) Knute Nelson, the old Republican war horse of Minnesota, in discussing a similar tariff bill said:

In the face of the fact that so many of the barest necessities of life are loaded down with the highest kind of tariff taxes, it makes me sick at heart to think that there are leading Members on this side of the Chamber who can find at this juncture and under these circumstances no other field for tax reduction than the internal-revenue taxes. \* \* \* Surely these things are not the diet on which the poor laboring man keeps his family.

Worthier, better, and juster, it seems to my mind, would it be to give our people, the toiling masses, cheaper food, cheaper fuel, cheaper clothing, and cheaper shelter—cheaper because released from the heavy and unnecessary bondage of high tariff taxes. I will put free sugar, free coal, free salt, and free lumber against free whisky and free tobacco under all circumstances, and so will the great mass of the American people.

May I, in this connection, quote the language of James A. Garfield, another orthodox Republican, one of our three martyr Presidents.

When the average tariff rate was 47 per cent, in discussing the necessity of revising and reducing the tariff schedules, Mr. Garfield said:

Unless the tariff men take heed, unless they consent to a rational and considerate adjustment of the tariff such as only can be made by the full light that a careful statistical study of the subject will bring, I fear from them, more than from any other source, a reaction which will bring us by-and-by into free trade and all its consequences of evil to the manufacturing interests of the country. I desire to say that, in my judgment, it is not the best mode of defending a tariff to denounce every man who does not pronounce the shibboleth after our fashion as an enemy of the tariff.

Although life-long Republican, Mr. Garfield realized that the excessive tariff rates were established as war measures and at that time it was not contended that these high war tariffs would continue very long after the end of the war that called them into existence. Indeed, the act of July 14, 1862, stated in its title that it was "an act increasing temporarily the duties on imports and for other purposes."

Garfield realized, as many thoughtful Republicans now realize, that the manufacturing classes will take control of the Republican Party and completely dominate it unless the rank and file of the party assert their power and keep tariff taxes within reasonable limits. By their inordinate greed and excessive demands, the industrial classes have made it almost impossible for the Republican Party to write a tariff bill that will be fair to the agricultural classes and the consuming public generally.

On another occasion Mr. Garfield again called attention to the fact that the Republican Party was going too far and fixing tariff taxes too high for the good of the Nation. He said:



We have seen that one extreme school of economists would place the price of all manufactured articles in the hands of foreign producers by rendering it impossible for our manufacturers to compete with them; while the other extreme school, by making it impossible for the foreigner to sell his competing wares in our market, would give the people no immediate check upon the prices which our manufacturers might fix for their products. I disagree with both these extremes.

I hold that a properly adjusted competition between home and foreign products is the best gage by which to regulate international trade. Duties should be so high that our manufacturers can fairly compete with the foreign product, but not so high as to enable them to drive out the foreign article, enjoy a monopoly of the trade, and regulate the prices as they please. This is my doctrine of protection. If Congress pursues this line of policy steadily, we shall year by year approach more nearly to the basis of free trade, because we shall be more nearly able to compete with other nations on equal terms. I am for a protection which leads to ultimate free trade.

Mr. Chairman, examining the possibilities of the situation, I believe the true course for the friends of protection to pursue is to reduce the rates on imports wherever we can justly and safely do so, and accepting neither of the extreme doctrines urged on this floor, endeavor to establish a stable policy that will commend itself to all patriotic and thoughtful people.

On another occasion Mr. Garfield said:

I am for a protection which leads to ultimate free trade. \* \* \* Modern scholarship is on the side of free trade.

Now, no one will question the Republicanism of Benjamin Harrison. While representing Indiana in the United States Senate, when the average ad valorem tariff rate was 42 per cent, and there was a nation-wide demand for a reduction of the tariff downward, Mr. Harrison recognized the necessity of reducing tariff taxes, and in discussing this question, said:

The creation of the Tariff Commission was a confession that the tariff needs revision. If the report comes in it should be promptly acted upon. My opinion is that no time should be lost, after Congress assembles, in bringing forward these measures.

Well, the Tariff Commission mentioned by Senator Harrison recommended a reduction in the average rate of duty of 20 per cent, but notwithstanding this recommendation the Republican Party immediately proceeded, not to lower, but to increase the tariff. And, as an evidence of Senator Harrison's eagerness to reduce tariff taxes, he immediately voted to put perfumery and playing cards on the free list.

Mr. Benson J. Lossing, the venerable historian, was a lifelong Republican, but late in life he declared that the high-tariff group in the Republican Party was a clog upon the wheel of American progress, and that the extreme point to which the protective system has been carried has brought riches and gigantic fortunes to the few and poverty to the many. In discussing the protective system he said:

During the past 25 years of high protection the small shopkeeper and the artisan have been driven out of the country. We are a Nation of workers without an apprentice system, and a generation without a trade. We teach our boys to make a rivet or last a shoe, but never to make an entire article or a piece of machinery. The man with a few hundred dollars can no longer enter into business. Protection has placed the industries and the shops of the land in the hands of the wealthy, and made the masses contributors, but never beneficiaries.

Henry Clay, the great exponent of the so-called American or protective system, said:

No one, in the commencement of the protective policy, ever supposed that it was to be perpetual.

Justin S. Morrill, the father of the modern protective system and the author of the Civil War tariff, known as the Morrill Act, said:

The tariff was intended to be revised so that there should be some reduction in the cost of living. It was obvious from the first that woolsens and wools would have to submit to their fair, equitable, and just share.

Kansas has had no more brilliant son than John James Ingalls, Republican Senator from that great agricultural State. He saw that the manufacturing classes were getting a strangle hold on the Republican Party, dictating tariff schedules that were indefensibly high, and at every session of Congress demanding more and more bounties and spoils. He realized that the industrial classes were not satisfied with reasonable tariff protection but sought to use the taxing power of the Nation to augment their unearned bounties and swell their constantly growing profits. He sympathized with the masses and his eloquent tongue vehemently upbraided the leaders of his party for their surrender to the special-privileged classes. In a speech in the United States Senate, in discussing the greed, growth, and

cynical power and influence of the capitalistic and special-privileged classes, Senator Ingalls said:

We can not disguise the truth that we are on the verge of an impending revolution; the old issues are dead. The people are arraying themselves upon one side or the other of a portentous contest. On one side is capital, formidably intrenched in privilege, arrogant from continued triumph, conservative, tenacious to old theories, demanding new concessions, enriched by domestic levy and foreign commerce, and struggling to adjust all values to its own standard. On the other hand is labor, asking for employment, striving to develop domestic industries, battling with the forces of nature, and subduing the wilderness; labor, starving and sullen in cities, resolutely determined to overthrow a system under which the rich are growing richer and the poor are growing poorer; a system which gives to a Vanderbilt the possession of wealth beyond the dreams of avarice and condemns the poor to a poverty which has no refuge from starvation but the prison or the grave.

Though uttered four decades ago, these words were prophetic. Senator Ingalls foresaw the triumph of the privileged classes and the control of our executive and legislative departments by the selfish, sordid, and cynical economic freebooters who fatten on governmental bounties and use the agencies and instrumentalities of our Nation to profiteer and build up enormous fortunes by picking the pockets of the consuming public.

William McKinley, the Chevalier Bayard of protection, while an aggressive advocate of high tariffs, realized that the beneficiaries of protection were often greedy and unreasonable in their demands and that Congress should not allow them to dictate our tariff laws. In 1882 he said:

The free list might be enlarged without affecting injuriously a single American interest.

When Mr. McKinley made this statement the average ad valorem tariff rate was 42 per cent. The free list has not been enlarged, but gradually reduced by the Republican Party. On many commodities much used by the general public the duties have been raised and are higher than they were in 1882. At that time the Republican Party had not sold its body and soul to the tariff lords. At that time the protected manufacturers were not invited to write our tariff laws. In those days the leaders of the Republican Party represented the people and had too much self-respect to allow the beneficiaries of our tariff laws to write our tariff schedules and fix the rate of duty. Now, when a tariff bill is being considered, the buccanniers of big business appear like a Macedonian phalanx before the Committee on Ways and Means and arrogantly demand that this or that duty be raised, and the present leaders of the Republican Party grant their requests.

As far back as 1871 we had a Salt Trust that controlled our domestic market and earned enormous profits. At that time the Onondaga Salt Works had a monopoly on this article of universal use. Now, we have a large group of producers of salt, sheltered under an indefensibly high tariff on salt, earning large profits, and enjoying a bombproof monopoly. In discussing this question in this Chamber in 1871 Representative Eugene Hale, a Republican, said:

I believe there is no one question about which the reflection of millions of people, day by day, is so decided as it is in declaring that there should be no tax on this article of salt. I believe this article should go upon the free list; that the monopoly which has obtained heretofore for the Onondaga Salt Works, as great and complete as any monopoly ever granted by the Tudors in England's most despotic times—ought to cease.

But for 58 years since Senator Hale made this appeal, the Salt Trust has been able to control legislation and keep salt on the dutiable list, except from 1913 to 1922, when the Underwood Act was in force. The pending bill carries a duty of 11 cents per hundred pounds on salt in bags, sacks, barrels, or other packages, which duty was also imposed by the Payne-Aldrich and Fordney-McCumber Acts.

In discussing the tariff from the standpoint of agriculture, Senator William B. Allison, of Iowa, said:

The agricultural interest, it will be seen, is much the largest interest in its aggregate product, as well as in the number of persons employed. I believe that no one will claim that this large interest is directly protected. It is true that under customs laws there is a small duty upon wheat, barley, oats, and other agricultural products, but it does not afford any protection to the great wheat and grain producing regions of the country.

And at the present time I do not think any well-informed student of economics or agricultural conditions will contend that the present tariff on agricultural products is effective. While we have a tariff of 42 cents a bushel on wheat, wheat has recently been selling for about 10 or 15 cents a bushel more in Winnipeg, Canada, than the same grade of wheat brings in the

United States. As we produce an exportable surplus of wheat, wheat prices in America are determined by the price of wheat in Liverpool and other open markets of the world. Mr. Allison recognized this situation and said:

Unfortunately for the farmer the market price of wheat is fixed by the price which the surplus will bring abroad or the price of wheat in London or Liverpool. At that market, where the surplus is sold and which fixes the value of the whole crop, he comes in competition with the grain produced in the Crimea, in Hungary, and in the region of the Baltic from fields cultivated by what is known in comparison with our own as pauper labor.

A few years ago our Republican friends denied that the price of wheat in our domestic markets was regulated or determined by the price abroad, but no well-informed Republican will now deny that the price of wheat in the United States is determined by the price we get for our exportable surplus in the markets of the world. President Coolidge, Secretary of Agriculture Wallace, in official documents have made this admission, and its truth is self-evident.

In answering the "home-market" argument, and the suggestion that we should not produce a surplus of agricultural products, Senator Allison said:

But I am told we must so legislate as to furnish a home market for all our agricultural products, and this can only be done by high tariff. Anyone examining the subject will see that our agricultural products increase more rapidly than our population, so that if we do not export these products in their natural condition, we must do so by converting them into manufactured articles and export these articles. But this can not be done under a high tariff, for all nations will buy manufactured products where they are the cheapest, and the nation selling the cheapest will control the market. This rule excludes our highly taxed manufactures, made from highly taxed material, from the markets of the world, although we have natural advantages possessed by no other nation.

It is interesting to note that many of the tariff schedules are now much higher than they were 59 years ago when Senator Allison made the statements to which I have referred.

Hon. Charles J. Folger was a Republican Secretary of the Treasury. In 1883 he said in his annual report:

It is conceded by all that a substantial reduction should be made upon nearly all imported articles subjected to duties.

Forty-five years have elapsed since Secretary Folger called attention to the nation-wide demand for a reduction of tariff duties, but the tariff on many of the articles in most general use by the common people has been materially raised, and in many cases doubled and trebled.

Hon. John D. Long, of Massachusetts, said:

There are only two ways to reduce the tariff: One, by raising the tariff to a prohibitory height, which nobody advocates; the other, the free list. The free list is the honest revenue reformer's hope.

And yet, after nearly half a century, we find the Republican Party continues to transfer from the free list to the dutiable list many of the articles in universal use, which means a tremendous increase in the cost of living to millions of people in America, generally designated the masses or common people.

I am quoting from these eminent Republican authorities to show that the present leaders of the Republican Party have abandoned the principles of the men who founded and nurtured that party. The reactionary leaders who are in the saddle and controlling the Republican Party have departed far from the old trails and abandoned the faith and ideals of the men under whose leadership it achieved its most splendid accomplishments.

In his annual message in 1882 Chester A. Arthur, a Republican President, said:

The present tariff system is in many respects unjust. It makes unequal distribution both of its burden and its benefits. \* \* \* I recommend an enlargement of the free list and a substantial reduction of the duties upon manufactures of cotton, iron and steel, sugar, molasses, silk, wool, and woolen goods.

The tariff at that time was much less than under the present law or the pending bill. If these great Republican leaders could return to this old earth they would be amazed to find that instead of the tariff being reduced, as they recommended 30, 40, or 50 years ago, it has been very substantially increased, in many instances doubled, trebled, or quadrupled.

Senator James W. Grimes, a Republican, of Iowa, in a speech in the Senate called attention to the fact that the protectionists had opened the vials of their indignant wrath upon the heads of those who would not consent to grant them extortionate tariff rates on their commodities. Even at that early date the

industrialists had succeeded in suborning or subsidizing portions of the public press, through which they viciously assailed every Member of Congress who refused to accede to their unconscionable demands. Senator Grimes said:

Large manufacturing interests of the country, not satisfied with the enormous profits they have realized during the past six years, are determined, at whatever hazard, to put more money in their pockets; and to this end they have persuaded some and coerced other manufacturing interests to unite with them in a great combination demand for what they call protection to American labor, but what some others call robbery of the American laborer and agriculturist.

It is the fashion to denounce every man who does not favor a prohibitory tariff as a free trader. \* \* \* We disagree as to how much money shall be taken from the pocket of Peter to support and enrich his brother Paul.

Gen. John A. Logan, a Republican candidate for Vice President, a Representative, and Senator, while speaking in the House, denied that the high tariff benefited the laboring men who were not skilled laborers employed in the protected industries. He said:

And when a gentleman stands upon this floor and tells me that this high, extraordinary high tariff is for the protection of the laboring men of this country who are not skilled laborers, I tell him I do not understand how he can possibly substantiate such a theory.

I have before me numerous quotations from outstanding leaders of the Republican Party who believed in a policy of protection, but opposed an unreasonable and unfair extension of this policy, as is proposed in the pending bill. The Republican Party can stand by the protective policy without turning our Government completely over to the manufacturing classes. In their zeal to favor the manufacturer the Republican Party should not forget its duties and obligations to the agricultural classes and the great consuming public. The tariff rates carried by the pending bill are unreasonable, excessive, and absolutely indefensible.

President Hoover called an extra session of Congress for the express and specific purpose of enacting legislation to place agriculture on an equality with other industries. He did this in order to fulfill his pledge and to relieve agriculture from the economic handicaps under which it is laboring. He suggested only a limited revision of the tariff. The President did not contemplate any general upward revision of the industrial schedule. The Republican Party leaders in Congress have ignored the recommendations of President Hoover and are railroading through Congress a tariff law carrying the highest rates of any bill since the foundation of our Government. The manufacturing classes have been given increased bounties in every schedule. The tariff rates have been boosted out of sight.

Under the pending bill the increased rates on manufactured commodities will widen the spread between what the farmer gets for his products and what he pays for his supplies. This bill imposes a tariff on cement, lumber, and many other articles that the farmer uses and that are now on the free list. The cost of everything the farmer buys will be substantially increased under this bill.

The tariff on lumber is outrageous. Those who understand the agricultural situation know that the farmers of the Nation, as a class, are on the verge of bankruptcy. Their farm buildings are in poor repair; dwellings, barns, sheds, and outhouses are in need of repairs; roofs are leaking; and the farm buildings more or less dilapidated. The farmer is unable to build fences, cribs, and granaries. The economic distress from which the American farmers are suffering is the result of legislative favoritism extended to other vocational groups at the expense of agriculture.

The Government has come to the aid of the industrial classes, stabilizing their business, granting them bounties, and enacting high tariff schedules, which give them unreasonable and excessive profits, and which profits come out of the pockets of the American farmer.

My colleagues from Washington and Oregon told you that many lumber mills and corporations have gone into bankruptcy in the last two years and that many thousands of lumber-mill workers are out of employment. Listen to me. For every lumber company that has become insolvent in the last 10 years, 500 farmers have gone bankrupt. For every mill worker that has suffered from unemployment in the last 10 years, 100 farmers have lost all of their earthly possessions.

The buying power of the American farmer has been reduced to such an extent that he is unable to buy the commodities that come from the mills and factories. For years the agricultural classes have been compelled to use their old harness, old machinery, old implements, old vehicles for the reason that they are



not able to replace this worn-out equipment. He needs new equipment and would buy the products of mills and factories if his financial condition would permit. There are approximately 6,000,000 idle spindles in the United States, most of them in the New England States. Why are these spindles idle; why are these factories working one-half or two-thirds of the time? The reason is obvious. Through the operation of high tariff laws you have, from year to year, increased the price of your industrial products, and by these ever-increasing tariff rates you have reduced the buying power of the American farmer to such an extent that he can not purchase and pay for the commodities from your mills and factories. Every time you increase tariff rates you correspondingly reduce the purchasing power of the American farmer, your best customer.

The American farmer sells his products in a free market and buys his supplies in a market protected and boosted by high tariff laws. By these unreasonable tariffs, the manufacturer is killing the goose that lays the golden egg. The purchasing power of the farmer has been practically destroyed. He can not balance his budget, pay his taxes and interest, and have anything left to buy the products that come from your mills and factories. He can not buy your harness; he is not able to buy your woolen goods, your metal products, your chemicals, or the other output of your factories because of discriminatory legislation which constantly increases the spread between what he gets for his commodities and what he pays for his supplies.

By this lumber tariff you increase the cost on every shingle, lath, board, or other lumber the farmer buys to repair his buildings. If he wishes to repair his fences, by this lumber tariff you increase the cost. If he wishes to remodel his dwelling or outbuildings, by this proposed tariff you dig deeper and deeper into his pockets. This bill will add a tremendous burden to the farmers of this Nation, notwithstanding the fact that Congress was called into extraordinary session to enact legislation to relieve the farmer of some of his burdens, which are the result of legislative favoritism.

By this bill you are not granting the farmer any relief whatsoever but you are placing additional burdens upon him. You are slapping your President in the face by passing a tariff bill that will drop a dime in one pocket of a farmer and take a dollar out of the other pocket. This tariff bill does not fulfill the promises made by either of the great political parties. You are passing a tariff bill the President of the United States never asked or expected you to pass. By this bill you are increasing the burdens of the American farmer, and it signally fails to equalize agriculture with the other vocational groups.

This bill is absolutely indefensible. It robs the many to enrich the few. Let me say to my colleagues who come from the agricultural districts, "You can not defend your vote in favor of a tax on cement; you can not defend your vote in favor of a tariff on lumber or sugar. When you go home and look your constituents in the face, how can you defend your action in voting for a bill that increased the price of everything your constituents buy?"

By voting for a tariff on cement, lumber, sugar, and other articles of general consumption by your constituents you are placing a burden, an unnecessary burden, on the people you represent, because by voting for this bill you increase the cost of every fence post, shingle, lath, cement block, plank, or stick of lumber that your constituents buy. By your vote you will increase the price of every building, shed, fence, cement block, water tank, or other article used in building.

If you vote for this bill, be frank with your constituents. Go home and look them in the face and tell them that you voted to increase the profits of the Cement Trust; that you voted to increase the price of lumber, sugar, and practically everything else your people buy; and tell them that by your vote, instead of granting substantial relief to the American farmer, you increased his burdens. [Applause.]

Mr. Speaker, I yield back the balance of my time.

Mr. HENRY T. RAINEY. Mr. Speaker, how much time does the gentleman yield back?

The SPEAKER. Two minutes.

Mr. HENRY T. RAINEY. I yield that to the gentleman from Georgia.

Mr. CRISP. Mr. Speaker and colleagues, I want to address you for a moment about the parliamentary situation, because there seems to be some confusion with reference to it.

As to the amendment proposing a duty on lumber of \$1.50, Chairman HAWLEY says that he is going to move to agree to that amendment, with an amendment making the duty 75 cents. If that motion is lost, then it will be in order to move that the House further insist on its disagreement to the Senate amendment, the effect of that being to send the bill back to conference with the conferees having knowledge that the House is standing for free lumber.

If the Hawley motion prevails and you agree to 75 cents, that disposes of the Senate amendment, so far as the House is now concerned.

On the shingle amendment, the motion will be made to concur in the Senate amendment, which places shingles on the free list. If that motion prevails, the matter is disposed of and out of the hands of the conferees, and shingles are to be free. If that motion is lost, then it goes back to conference.

I make the statement for some Members seem to be of the impression that if the Hawley amendment is lost they would have no chance to express themselves on free lumber. If the Hawley amendment is voted down, the House will have an opportunity to express itself on free lumber.

Mr. BURTNESS. Will the gentleman yield?

Mr. CRISP. Yes.

Mr. BURTNESS. What is the parliamentary situation with reference to amendments 369 and 370?

Mr. CRISP. If amendment 369, which strikes out the provision of a duty on logs—if you concur in the Senate amendment it puts logs on the free list.

Mr. BURTNESS. When will the vote come on these amendments?

Mr. CRISP. As far as I am concerned, I am willing to accommodate the chairman of the Ways and Means Committee as to which one is voted on first. I do not think it makes any difference.

Mr. MONTAGUE. Will the gentleman yield?

Mr. CRISP. Yes.

Mr. MONTAGUE. If the Hawley amendment is not adopted, we are thrown back to the \$1.50 duty.

Mr. CRISP. No; the House disagrees to the Senate amendment, which throws the subject matter back to conference. The conferees are duty bound to stand in conference for the views of the House. The vote notifies the conferees the House is for free lumber. If they should agree to a duty under these conditions, when they report back the House can repudiate their agreement. The House will have full control of the matter. We do not have to accept any report or agreement of the conferees unless a majority of the House approves of their action.

Mr. RAMSEYER. Mr. Speaker, how much time have I left?

The SPEAKER. The gentleman has eight minutes remaining.

Mr. RAMSEYER. Mr. Speaker and ladies and gentlemen of the House, in the few minutes I have remaining I want to sum up some of the issues. When I appeared earlier in the afternoon I had before you a number of charts, with figures from the Tariff Commission and other authentic sources showing you that the United States is the greatest exporter of lumber in the world and that almost altogether from the States of Washington and Oregon; that we sell much more lumber out of the States of Washington and Oregon than Canada to Japan, to China, to South America, and to the rest of the world. The only conclusion that can be drawn from this is that we can undersell Canada in the lumber markets of the world. I also showed you that from Washington and Oregon we in 1928 exported 269,003,000 feet of logs, chiefly to Japan, while the Canadian exports of logs to Japan for the same year were only 122,701,000 feet.

While the gentleman from Washington [Mr. HADLEY] was speaking he said something about the costs of production of shingles in British Columbia and in Washington and stated that it was too complicated a matter to go into. I have before you now a chart showing the differences in costs of production in British Columbia and Washington on shingles. It is a very simple matter and easily understood. The chart is based on figures from the Tariff Commission, which made a very exhaustive study a few years ago of costs of producing shingles in British Columbia and in the State of Washington. The only justification for a protective duty is to equalize differences in cost of production here and abroad. The chart before you demonstrates conclusively that the costs of production of shingles in British Columbia are higher than in Washington. Every element of cost is higher there than here, including material cost, labor cost, mill cost, and interest cost. From any standpoint of the protective theory there is absolutely no justification for a duty on shingles.

Every farm organization in the country has petitioned Members of Congress for free logs, free lumber, and free shingles. The gentleman from Oregon [Mr. HAWLEY] and other gentlemen urging duties on logs, lumber, and shingles have left the farmers clear out of the picture. In my speech earlier in the day I told you what Chairman Legge, of the Federal Farm Board, had to say in regard to the trouble with the lumber industry. He did not say that the lumber and shingle industries needed duties. He called attention to the fact that the purchasing power of the farmers is less now than it was eight or nine years ago, and that what the lumber industry needed

was not duties but an increase in the farmers' purchasing power. As I called to your attention earlier in the day, the farmers consume about 50 per cent of the lumber and 70 per cent of the shingles. In 1928 the farmers paid out only a little over one-third as much for construction material as they did in 1921, and nearly every bit of the construction material used by the farmers is lumber and shingles.

Although the gentleman from Alabama [Mr. BANKHEAD] asked the gentleman from Oregon [Mr. HAWLEY] why, in his proposed amendment to the Jones amendment, he intended to leave a duty on the farmers' lumber and to take off the duty on railroad ties, telephone and telegraph poles, and put such ties and poles on the free list for the benefit of the public utilities which use the ties and poles, the gentleman from Oregon, nor anyone else, to this moment has undertaken to give an answer to the question of the gentleman from Alabama. Furthermore, no one has undertaken to refute what Mr. Legge said was the matter with the lumber industry. Of course, such an undertaking would be hopeless. I also stated that duties on logs, lumber, and shingles, according to the testimony of lumbermen and lumber experts, would inure to the benefit of the owners of standing timber and not to the mill owners or the mill workers. That has not been denied by anyone.

Some reference has been made to the employment of oriental labor in British Columbia. I understand there is some oriental labor employed in the shingle mills there, but according to the findings of the Tariff Commission they are paid the same wages as white labor.

Southern lumber companies have urged a duty on lumber, claiming that lumber from British Columbia comes into the South in large quantities. There seems to be no foundation for this. This morning one of the lumber experts got from the records of the United States Forest Service tables of distribution of lumber for 1928, showing the consumption of lumber in Texas for that year. For your information I read:

Consumption: Texas consumes annually 1,500,000,000 feet of lumber.  
Source: This lumber comes from—

	Feet
1. Southern pine region (yellow pine)-----	1,382,170,000
2. California (redwood and California white and sugar pine)-----	33,747,000
3. Idaho (Idaho white pine)-----	8,626,000
4. Oregon and Washington (Douglas fir and a small quantity of western yellow pine)-----	126,256,000
5. Canada (Douglas fir)-----	1,184,000
6. Other foreign countries (largely from Mexico)-----	9,000,000

It is suggested that a duty should be imposed on lumber in order to exclude imports from Russia. Let us see what the situation is in regard to the importation of lumber from Russia.

Russian lumber competes with no American wood. Practically all imports of lumber from Russia are spruce, and its competition is with eastern Canadian spruce. The small remaining stand of spruce in this country is being used almost solely for paper and the supply is very limited.

Russian lumber is expensive lumber. The average price received by the principal importer on all his sales of Russian lumber over a period of three years was \$38.74 per thousand feet. Douglas fir and southern pine are selling in the same market at approximately \$25 a thousand feet wholesale.

The actual importations of lumber from Russia last year were only 37,936,000 feet on a contract which called for a minimum of 51,000,000 feet, with a maximum allowance of 69,000,000 feet. This quantity is equivalent to the cut of one fair-sized American sawmill, and is only one-eighth of 1 per cent of total domestic consumption.

Russia, with a population of 160,000,000, has a lumber production of 5,000,000,000 feet, and the United States, with 125,000,000 people, has a production of 35,000,000,000 feet. Russia is entering a program of expansion and reconstruction which will, if successful, require the use of large quantities of lumber. If her plan is successful, any increased production she may have will be needed for home consumption. If she is not successful, she will have no increased production available for export. Russia has never yet been able to come up to her expectations either as to production or export, and any fear that she will in the future achieve her aims is ungrounded.

A final factor which will serve to render impossible any greatly increased shipments of Russian lumber is the fact that the ports of Russia are icebound eight months out of the year and stocks of lumber must be carried over for a year or more before being disposed of to the consumer in the United States. The cost of such carrying will be prohibitive.

We should not forget that we sell Russia four times as much merchandise as we buy from her. Our exports to her of cotton alone amount to from \$39,100,000 to \$47,560,000 annually, according to Commerce Department figures. This is more than

fifty times the value of imports of lumber from Russia, which in 1929 were valued at only \$768,465.

In conclusion, permit me to say a few words of a personal nature. There are rumors of some understandings having been entered into in regard to votes on lumber and shingles. I do not know whether actual trades have been made. I want to say to my friends from the East that inasmuch as the farmers consume 50 per cent of the lumber and 70 per cent of the shingles, that the attention of the farmers of the country is centered on the votes that will be taken this afternoon to place logs, lumber, and shingles on the free list. I do not want the Members of this House this afternoon to impose this unnecessary burden on the farmers of the country. If you sacrifice the interests of the farmers to accommodate some one for past favors and vote upon the farmers of the country this additional burden, the responsibility will be on you. This is the place where you ought to stop, look, and listen.

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. RAMSEYER. No. Just one further statement as to procedure. I shall insist that the amendments be voted on in the order that they appear in the conference report. The first amendment will be on logs. That is the raw material out of which lumber and shingles are made. Your vote should be to keep logs on the free list. The next vote will be on cedar lumber. There, too, your vote should be to keep lumber on the free list. A vote to disagree to the next Senate amendment will place all softwood lumber on the free list. Another important vote will be on shingles. That vote also should be to keep shingles on the free list.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. RAMSEYER. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD I submit for printing in the RECORD a letter from the Department of Commerce on the Russian lumber situation. It reads as follows:

NATIONAL COMMITTEE ON WOOD UTILIZATION,  
DEPARTMENT OF COMMERCE,  
OFFICE OF THE SECRETARY,  
Washington, April 18, 1930.

The NEW YORK LUMBER TRADE ASSOCIATION,  
Room 5624, Grand Central Terminal, New York, N. Y.

DEAR SIR: Replying to your letter of April 17, in which you asked me for information in regard to the importation of Russian lumber into the United States, I am pleased to give you a brief synopsis of the situation as we see it. You will, of course, realize that we do not have any representative in Russia at the present time, and for this reason the information which we have on this subject has been drawn from other sources, but we believe them to be reliable.

According to the Economic Review of the Soviet Union, dated April 1 and published by the Amtorg Trading Corporation of New York City, it appears that the program for the procurement of lumber in Russia was only 87 per cent completed during the month of March. This tallies with the information which we have received from other sources, and the unsatisfactory showing must be attributed to the low efficiency of the Russian laborers and the difficulty which the soviet has with conscript and convict labor.

You will undoubtedly hear a great deal said about the low wages paid in Russia, and this will perhaps lead you to conclude that their cost of production must be very low. This is not necessarily so, because their laborers are not so efficient as American sawmill operators, and it is my belief that our cost of labor figured per 1,000 feet of lumber produced may not be very far from the Russian figures in some instances. This is largely due to the fact that so many sawmills in Russia are antiquated and the machinery is very old and inefficient.

We have also learned that in their desire to raise money to pay for imported supplies the soviet has in many instances ruthlessly cut their forests, particularly in districts adjacent to "floating" rivers. This means that the loggers will have to go farther and farther inland for their supplies, and this naturally will bring up the cost of logging in the future.

Personally, I do not believe that the soviet will be able to increase its present exportation of lumber for some time to come. They have their hands full in building up their own country, and there is a great demand for lumber for industrial developments going on in several parts of Russia, and also for the building of homes. In support of our belief that a great deal of building and construction will be started in the near future, I may mention that we have a report that about 100 American architects have been engaged by the soviet for service in Russia, and that a considerable number of engineers have also left for that country on similar work.

With specific reference to the exportation of Russian lumber to the United States, there are several important facts that should be kept in mind:

First of all, the Russian lumber received so far has been very well manufactured. The quality of the lumber itself is excellent. There is



no better lumber in Europe than Russian pine and spruce. So far, we have only received very small quantities of Russian lumber, hardly exceeding one-tenth of 1 per cent of our total lumber production in this country. It has surprised us that this lumber has brought such relatively high prices in this country. In fact, quality for quality, I believe that more money has been paid for Russian lumber than for corresponding species from eastern Canada. I do not believe that this Russian lumber comes into direct competition with the majority of American woods.

We are importing large quantities of spruce from Canada, and from our point of view we do not see that it makes much difference which country this spruce comes from so long as it is imported. I am frank to say that the Russian lumber is superior, both in quality and manufacture, to much of the Canadian spruce imported so far.

The American market presents considerable difficulty to the soviet, because our standard sizes are entirely different from those prevailing in the markets to which the Russians have catered heretofore. If the Russians are to expand their business in America, it will mean that their mills must cut to our requirements, and since we only take certain sizes and certain grades, the Russians will be up against it in disposing of the lumber which the American market can not take and which is unavoidably produced. I am referring particularly to odd widths and odd lengths, and in addition the short lengths less than 8 feet, which in the American market can only be disposed of with difficulty. These are questions which have baffled the Russians for several years, and the problem has not yet been solved.

In this connection it may also be interesting to note that we are indirectly shipping millions of feet of our own lumber to Russia in the form of packing boxes and wooden parts of machinery, automobiles, and other commodities in which wood is used. As a matter of comparison, I may state that we have recently estimated that between one billion and one billion and a half feet of American lumber is used in the manufacture of packing boxes and crates used for the shipment of American commodities destined for foreign markets.

To sum it up, the lack of authentic information in regard to Russian conditions, and the frequent changes in the political situation in Russia, have led to considerable guesswork on the part of the American public. Naturally, exaggerated ideas have been advanced in regard to the so-called Russian menace relating to the exportation of Russian lumber to this country. We must not forget that most of the Russian ports are closed during several months of the year, that the transportation of logs from the forests to the mills is largely done on the rivers, and that nature places certain difficulties in the way of unlimited expansion of the lumber industry, which only an excessive expenditure of money would overcome. It hardly seems likely that the soviet would, at least at the present time, consider such steps, and for this reason we are not greatly exercised about the possibilities of Russia flooding this market with lumber, for a considerable time to come, at least.

It is granted, however, that the soviet has evidently deprived their own citizens of much-needed lumber supplies in order to export as large quantities as possible, thereby raising the necessary money for the purchase of supplies from abroad.

Very truly yours,

AXEL H. OXHOLM, *Director.*

Mr. HAWLEY. Mr. Speaker, I yield three minutes to the gentleman from Washington [Mr. SUMMERS].

Mr. SUMMERS of Washington. Mr. Speaker and gentlemen, you have been shown many lumber and shingle charts this afternoon by opponents of a tariff of these articles, but this one now before you is the only official chart that has been brought to you. If you observed closely, all of the others were labeled with the name of the private company that prepared the charts. They were not official charts, and many of them do not agree with official figures.

The chart now before you is based on a tariff investigation; but notwithstanding that investigation as to the cost of shingle production in Canada it does not agree with the reports of the Canadian Government. These charts and figures are misleading. Bear this in mind, there is a difference in the kind of shingles. If you manufacture in Canada a large quantity of 24-inch shingles and 18-inch shingles, and in the United States a larger quantity of 16-inch shingles, then, of course, the cost of producing shingles in America is less than the cost of the 24-inch shingles in Canada. The same thing applies in regard to the material cost. But here is something that you can not get by, and that is that the lumber industry in Canada in the last few years has increased 160 per cent, and the shingle industry in Canada has increased 400 per cent, while the lumber industry in the United States and the shingle industry in the United States during the same period have gone down, down, down until to-day in the far West one-half to three-fourths of the lumber mills and the shingle mills are idle.

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. SUMMERS of Washington. I have not the time. About 400,000 lumber workmen throughout the United States are idle to-day. This is a strange doctrine that has been brought before

you by my friend from Iowa [Mr. RAMSEYER], a free-trade doctrine, a doctrine in favor of Canada as against America. What are you going to do about it? On that basis you can rule out every item that you are protecting—everything from Florida, everything from the South, everything from New England, everything from the West. I have a farming district, and so far as I know there is not a shingle produced in my district, but we recognize the distress of the shingle and lumber industries and the workmen, and we favor reasonable and proper protection.

#### WAGE SCALE LOWER IN CANADA

A survey of wages being paid in Canada which was obtained during the months of September and October, 1929, and is substantiated by affidavits as to the dates the various plants were visited, shows that, on identical occupations covering practically all of the ordinary skilled and unskilled work in and around both camps and mills, the concerns in Oregon and Washington were paying on an average of \$1.20 per day more for white help in the logging camps and an average of \$1.14 per day more for white labor in the sawmills than was paid in Canadian mills.

#### ORIENTALS EMPLOYED

In 18 mills visited in British Columbia in September and October of this year, out of a total of 2,946 employees, 1,956 were orientals. All throughout the industry in British Columbia orientals are being worked on skilled and semiskilled jobs at wages greatly below those being paid white men for similar work either in the United States or Canada, and the advantage in production costs thus gained is even greater than the comparison in the wage scale for the various occupations by white men indicate.

To the employees of the American mills and camps this means a practical evasion of our oriental exclusion act, as it permits the product of oriental labor to come into the United States and take work away from American citizens, while the fact that we have an oriental exclusion act is sufficient evidence that it is impossible for American citizens to live up to American standards and compete with oriental labor. No opponent of a lumber and shingle tariff can justify these conditions.

#### RUSSIAN LUMBER

The Bureau of Foreign and Domestic Commerce, United States Department of Commerce, gives much interesting information on Russian lumber.

In the fiscal year 1927-28 lumber exports from the Soviet Union were 55 per cent of the value of similar exports in 1913. In 1928-29 the value of lumber exports increased 54 per cent over the preceding year, amounting to 82 per cent of the value of lumber exports in 1913.

In 1928-29 lumber advanced to first place among all Russian exports, which for several past years was held by petroleum. The share of lumber in the total value of soviet exports is now higher than before the war. Exports of Russian lumber to the United States, while as yet comparatively small, increased from 12,000 metric tons in 1927-28 to 33,000 tons in 1928-29, an increase of nearly 300 per cent.

The Soviet Union forest lands, as all land, are the property of the state, and exploitation of forests constitutes one of the state industries which is operated in accordance with an annual plan prepared by the government. The plan is said to have been executed to the extent of 98.7 per cent during the year 1928-29. The 5-year plan contemplates a continuous increase of from 40 to 50 per cent each year.

New sawmills are to be built and the 3-shift day and uninterrupted work week introduced.

A further quotation from the report:

It is felt that the desire to force timber exports and to make them the foundation of the country's foreign trade in place of grain, is the main motive behind the whole new timber-production program.

The Moscow Soviet Trade of November 20, 1929, reads as follows on this subject:

That market (the United States), with its enormous annual capacity of 15,000,000 standards, should become in the course of the next few years one of the large consumers of our timber. This should be made the most urgent task of our export trade for the expansion of which new markets must be conquered.

We are further advised that—

the efforts of the authorities to recruit peasants for logging work in the forests, judging by the Moscow press, is meeting with strong reluctance to accept such employment in view of the low wages, the inadequate food supply, and shortage of housing accommodations prevailing in those parts. In fact, the situation has become so serious that last July it was made a subject of a special hearing in the central committee of the Communist Party. \* \* \* The resolution dated July 26, 1929, adopted by the central committee on that occasion de-

mandated that the opposition of the peasants be broken down at any cost and that, with that end in view, the labor recruiting work should be "turned into a political campaign" (Moscow investia of the central committee of the Communist Party, No. 22, August 10, 1929). The latter means that henceforth the refusal of the peasants to do logging work on the terms offered by the authorities is to be regarded as a political offense and subject to punishment.

The report to the National Lumber Manufacturers' Association further states:

Purely from the point of view of natural resources Russia appears to have almost unlimited possibilities for the expansion of its timber exports. Possessing forests many times larger than those of any other country in Europe, it exports at present merely an insignificant part of its annual yield of lumber, as may be seen from the soviet statistics given below.

Three things are evident from advices from the Department of Commerce:

First. That the soviet intends to make lumber its chief article of export.

Second. That its "most urgent task" is the expansion of the export trade to the United States.

Third. That it has unlimited timber resources for carrying out this purpose.

Shall we open wide our gates for Russian lumber, produced from confiscated forests and by forced labor paid 50 cents a day and clothed and fed in Soviet Russia, or shall we protect our markets for American lumber and restore to employment 400,000 free American working men, who in turn, will spend their money and house, clothe, and feed their families in America?

Shall we use Canadian products manufactured by 45 per cent oriental labor, fed and clothed by a foreign country, or shall we use American products manufactured in American mills by American workmen fed and clothed from our own farms and factories?

Your votes for or against a lumber and shingle tariff this day will answer these questions.

Mr. HAWLEY. Mr. Speaker, I yield six minutes to the gentleman from Washington [Mr. MILLER].

The SPEAKER. The gentleman from Washington is recognized for six minutes.

Mr. MILLER. Mr. Speaker, ladies and gentlemen of the House, I am asking my colleagues to stand by the recommendation of the chairman of the committee and sustain the 15 per cent ad valorem duty on wooden shingles. The Ways and Means Committee which prepared this bill after long and extended hearings and going into every element of production cost and ascertaining the condition of the industry placed this item on the protected list. The Senate struck it out but, paradoxical as it may be, left every other form or character of roofing on the protected list. If this is not a discrimination against the American wooden-shingle industry then the word has lost its meaning. It can be nothing else, it can be intended as nothing else, it is nothing else. It seems to me a living contradiction to place this original American form of roofing—and by the way, the best form of roofing ever made—on the free list, leave it and the industry to die through foreign competition and then put every form of substitute on the protected list. It is just about as sensible as putting a duty on a beer keg and admitting the bung hole free. If you want to protect the beer keg place a duty on the bung hole. Let us place a duty on this Canadian bung hole shingle importation.

Nobody in America is opposed to a tariff on shingles except the Canadian manufacturer and those who think they can get a roof a little cheaper. Personally I care nothing about the Canadian manufacturer of shingles nor his welfare, except I do not want him to have the benefit of the American market to the exclusion of the American producer simply because he can make a shingle cheaper than we can. These Canadian makers of shingles at the present time are principally Americans who, having made their fortunes out of American timberlands, out of American lumber, out of American shingles, have gone into Canada, invested their millions, and now come back to our country and fight our tariff policies, under which they became rich. This is about the raggedest form of Americanism that one can imagine. It is the same old story of the foreign manufacturer and the local importer against the American producer and in addition the element of self-expatriated industry for the sake of the almighty American dollar.

Now, let me say a few words to the man who thinks he will get a roof a little cheaper if shingles are on the free list. This is an old argument and one that can be made against everything produced in America. The argument of the free trader. America is not a free-trade country, it never has been and I hope never will be. The principle of free trade is now abandoned by

every political party in the country; nevertheless, we see certain Republicans and certain Democrats in this body advocating free trade in shingles—cedar shingles—but these same gentlemen seem to be content to have every other kind of roofing on the protected list.

I repeat that free trade in any article never built up or sustained any American industry to which it applied. Its application is to kill American production and put American hands out of work. Protection is the American national policy. It employs American capital and places and keeps every pair of American hands at work; that is progress and applied common sense.

I am a protectionist in the full sense of the word. I believe in protecting everything made or produced in America, every American workman, from foreign competition to the extent that our industries be healthy and our workmen employed at high wages. Of course, a Chinese, a Japanese, or a Hindu can, so far as workers go, make a shingle in Canada for less than an American can make the same shingle on the American side. Forty-five per cent of the men engaged in making shingles in Canada are these foreigners who are not employed in America. It is American labor that is employed in American mills.

I am the kind of a protectionist that believes in the fundamental philosophy.

Let me say to you gentlemen from the Middle West, you gentlemen from Iowa, Wisconsin, Minnesota, the Dakotas, Nebraska, Kansas, and Oklahoma, to you who are opposing the shingle tariff, you want a protective tariff on everything you produce. You want it; you deserve it; and I want to help you get it. I want to see you have a necessary tariff on your wheat, your corn, your rye, oats, and barley, your cattle and your hogs. I want to see you have the necessary tariff to protect your dairy and your poultry interests and everything else you produce and sell. My constituency is a consuming people. My people do not produce a thing you produce and sell. We buy and consume.

Nevertheless, I am standing for and voting for the protection of your production for I believe in the principle. If I did not believe in the universal doctrine—in its nation-wide scope—to protect everything produced in every part of the Republic that needs protection, I would be against your lines of production. You produce the things we eat and use. Perhaps if we took the tariff off wheat, flour, corn, oats, beef, pork, poultry, eggs, butter, cheese, cream, and milk, it would reduce the cost of living to my folks. Suppose I should apply the same argument against you and your productions that you apply toward my folks and their lumber and shingles? What would you think of me as a protectionist? Put the shoe on your foot and what would you think and say? I am willing, indeed anxious, to help you and your people. All I ask is for you to help me and my people in return. Ninety per cent of the exchange is to your benefit. If you are protectionists and broad enough to look at it from the other fellow's viewpoint with the same sort of eyes as you look at yourselves, you will do it. You help my shingle and wood manufacturers and I will be more than pleased to help your farmers. We use your beef and pork, your butter and cheese, now you use some of our lumber and some of our shingles, and we will have something in common. Let us not be selfish, let us look at the other fellow the same as we look at ourselves. We are the same kind of people as you and we are deserving of the same kind of treatment. We deserve and have the right to expect the same application of the national policy of production.

To you of New England, who long have had the benefits of protection—for a hundred years—in your great factories on everything you make and sell, your workmen, and we have voted for it, now it is your turn to help us in the far Northwest. Give us the same kind of support we give you. Protection to fabrics, both wool and cotton—to everything you make—has made and now keeps your country prosperous. Free trade in shingles has brought us to bankruptcy and ruin, and our men out of work. We ask for the same kind of help you have been receiving for a century.

To you of the South, you deserve protection on your tobacco, your rice, your sugar, and the things you produce, and I want to and will help you, all I ask in return is to help us so we can live.

To the sugar interests everywhere—north, south, and west—I want to say right here I am with you at \$2.20, and I would still stay with the industry if it should be \$2.40. We want the industry prosperous. We want America to be self-sustaining, or as near that as possible in this great household necessity, though it costs our people more. How would you sugar people feel on a free-trade basis as our shingle industry is now? We of the far West are standing shoulder to shoulder with you in every part of the country on this national policy of protection, now you stand with us on our few things—as vital to us as yours are to you.



Protection is a principle that should apply to the productions of every locality of the country without reference to geographic boundaries. You need it and ought to have it, and we need it and ought to have it. It is just as necessary to the shingle industry as it is to all others in which there is killing foreign competition.

Cedar logs and cedar lumber go hand in hand with cedar shingles. They are inseparable. A cedar log may be clear on one side and have knots on the other. Our mills saw the clear side into clear cedar lumber, cut out the knots on the other, cut it into proper lengths and send it to the shingle mill. Hundreds of mills, however, take the clear cedar log especially in shingles of the high-grade vertically sawed. In the State which I in part represent \$100,000,000 capital and 100,000 men are waiting for the decision of the Congress. To us it means we will be saved, our capital safe, and our men employed, or, on the other hand, we face the assignee or the receiver and our men on the streets looking in vain for work.

It makes one often feel embittered to see 50 or more shingle mills in his own home city closed down because we can not keep going in the face of Canadian competition when every day over the railway tracks running past these idle mills we see 6 and 10 trainloads of British Columbia shingles roaring past to the American markets in the Middle West. We feel the same as you would feel if your industries in New England were closed down, idle or bankrupt, and your farms in Iowa or Nebraska or Kansas or Dakota were abandoned because the people could buy of the foreigner for a less price the identical things you produce. The American shingle industry can not meet the Canadian competition, with cheaper raw material and cheaper labor, unless we have the same degree of protection all other American production is now receiving.

Prior to the Underwood Tariff Act in 1913 there was a specific duty of 50 cents per thousand. The industry was healthy and the men well paid. Canadian mills were not competing—there was protection in this American industry. In 1913 there were only 643,000,000 shingles coming into the United States. In 1925 Canadian shingles came into the United States to the extent of 2,685,000,000, an increase of 317 per cent. In 1926 the importation ran up to 3,200,000,000, and in 1929 over 4,000,000,000, and our production dropped off 46 per cent, notwithstanding a general increase of the use of shingles throughout the country of 25 per cent.

At the present time 33 per cent of the American market is supplied by Canadian shingles. Not another American industry records such a tragedy.

I am aware of the fact that many use shingles and that comparatively few are engaged in the industry, but that is no argument against the application of the principle of protection. Thousands of articles are made by the few but used by the many. Watches are made in not to exceed a dozen places in the United States, yet a watch is in use by 98 per cent of our people, including men, women, and children, and under either the Senate amendment or the House amendment adopted yesterday the duty is \$10.75 on a high-grade watch movement alone. I only cite this to illustrate the principle involved.

I hold in my hand an advertisement sent broadcast throughout Iowa and Missouri River points. It is dated Cedar Rapids, Iowa, March 16, 1930, showing a cut of \$1 per 1,000 on British Columbia shingles below the normal commercial rate, dropping the price on 5-2-16 XXXXX air-dried British Columbia shingles to \$4.19 per 1,000 in Missouri River territory, \$4.29 in central and eastern Iowa, and \$4.36 at most Illinois and Wisconsin points. This is what is killing us—this murderous Canadian competition. No American producer can live in the face of lower raw material and lower labor cost. It is the old, old story of an American industry going down before foreign competition.

All we ask, gentlemen, is a reasonable protection, one that will let us live, a protection that will keep us alive, and if you will do that we will be everlastingly grateful to the American Congress. [Applause.]

Mr. HAWLEY. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendment No. 369.

The SPEAKER. The gentleman from Oregon moves that the House further insist on its disagreement to Senate amendment 369.

Mr. HENRY T. RAINEY. Mr. Speaker, I have a preferential motion.

The SPEAKER. The Clerk will report the paragraph.

The Clerk read as follows:

Senate amendment No. 369, page 122, after line 10, strike out the paragraph, as follows:

"PAR. 401. (a) Logs of fir, spruce, cedar, or western hemlock, \$1 per thousand feet board measure, except that such logs imported to be used in the manufacture of wood pulp shall be exempt from duty under regulations prescribed by the Secretary of the Treasury."

Mr. HENRY T. RAINEY. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment No. 369 and concur in the Senate amendment.

The SPEAKER. The gentleman from Illinois moves that the House recede from its disagreement and concur in the Senate amendment.

Mr. HAWLEY. Mr. Speaker, on that I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Illinois to recede and concur in the Senate amendment. Those in favor of the motion will answer "aye"; those opposed will answer "no."

The question was taken.

The SPEAKER. In the opinion of the Chair, the ayes have it. Mr. HAWLEY. Mr. Speaker, I ask for a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 290, noes 105.

So the motion to recede and concur was agreed to.

The SPEAKER. The Clerk will report the next amendment. The Clerk read as follows:

Senate amendment No. 370: Page 122, line 16, strike out the paragraph, as follows:

"(b) Cedar, except Spanish cedar: Boards, planks, deals, laths, siding, clapboards, ceiling, flooring, ship timber, and other lumber and timber, 25 per cent ad valorem."

Mr. HAWLEY. Mr. Speaker, I move that the House recede and concur with an amendment which I send to the Clerk's desk.

The SPEAKER. The gentleman from Oregon offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HAWLEY: In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

"(b) Cedar, except Spanish cedar: Boards, planks, deals, laths, siding, clapboards, ceiling, flooring, ship timber, and other lumber and timber, 15 per cent ad valorem."

Mr. HENRY T. RAINEY and Mr. RAMSEYER rose.

Mr. HENRY T. RAINEY. Mr. Speaker, I offer a preferential motion.

The SPEAKER. The gentleman from Illinois [Mr. HENRY T. RAINEY] offers a preferential motion.

Mr. HENRY T. RAINEY. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate, amendment No. 370, and concur in the same.

The SPEAKER. The gentleman from Illinois [Mr. HENRY T. RAINEY] moves that the House recede and concur in the Senate amendment.

Mr. HAWLEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Illinois to recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. HAWLEY) there were 289 ayes and 108 noes.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 371: Page 122, after line 18, insert a new paragraph, as follows:

"PAR. 401. Timber hewn, sided, or squared, otherwise than by sawing, and round timber used for spars or in building wharves; sawed lumber and timber not specially provided for; all the foregoing, if of fir, spruce, pine, hemlock, or larch; railroad ties, and telephone, telegraph, trolley, and electric-light poles of any wood; all the foregoing, \$1.50 per thousand feet, board measure, and in estimating board measure for the purposes of this paragraph no deduction shall be made on account of planing, tonguing, and grooving: *Provided*, That there shall be exempted from such duty boards, planks, and deals of fir, spruce, pine, hemlock, or larch, in the rough or not further manufactured than planed or dressed on one side, when imported from a country contiguous to the continental United States, which country admits free of duty similar lumber imported from the United States."

Mr. CRISP. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from Georgia [Mr. CRISP] will state the parliamentary inquiry.

Mr. CRISP. Mr. Speaker, I understand the gentleman from Oregon [Mr. HAWLEY], the chairman of the committee, is going to move to concur in this amendment with an amendment. We of the minority desire to enter a motion that the House further insist on its disagreement to the Senate amendment. Of course, the motion of the gentleman from Oregon [Mr. HAWLEY] will be preferential. After the gentleman makes that motion, would the Chair then entertain a motion from us to further insist, the reason being that if our motion did not get in and the previous question should be ordered, it might cut out a request to have

that motion pending. I understand if this motion is pending, and the motion of the gentleman from Oregon [Mr. HAWLEY] prevails, that would dispose of the matter.

The SPEAKER. The Chair thinks the gentleman from Georgia [Mr. CRISP] is correct. It must be disposed of. Therefore, it would be in order in case the motion of the gentleman from Oregon fails, to make a motion to concur.

Mr. HAWLEY. Mr. Speaker, I move that the House recede and concur in Senate amendment 371, with an amendment—

Mr. RAMSEYER. Mr. Speaker, a parliamentary inquiry. If the previous question is ordered on the motion just presented, and the motion which the gentleman from Georgia [Mr. CRISP] suggests is not filed, will it be in order, after the previous question has been ordered and the vote on this motion has been taken, assuming it is voted down, to then make a motion?

The SPEAKER. The Chair thinks the previous question would only operate on the original motion.

Mr. O'CONNOR of Louisiana. Mr. Speaker, would it be in order to ask the chairman of the Ways and Means Committee a question at this time?

The SPEAKER. The Chair thinks not.

The gentleman from Oregon [Mr. HAWLEY] offers a motion, which the Clerk will report.

The Clerk read as follows:

Motion by Mr. HAWLEY: I move that the House recede and concur in Senate amendment No. 371 with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"PAR. 401. Timber hewn, sided, or squared, otherwise than by sawing, and round timber used for spars or in building wharves; sawed lumber and timber not specially provided for; all the foregoing, if of fir, spruce, pine, hemlock, or larch, 75 cents per 1,000 feet, board measure, and in estimating board measure for the purposes of this paragraph no deduction shall be made on account of planing, tonguing, and grooving: *Provided*, That there shall be exempted from such duty boards, planks, and deals of fir, spruce, pine, hemlock, or larch, in the rough or not further manufactured than planed or dressed on one side, when imported from a country contiguous to the continental United States, which country admits free of duty similar lumber imported from the United States."

Mr. HAWLEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

Mr. HENRY T. RAINEY. Mr. Speaker, I offer the following motion, which I ask to have pending.

The SPEAKER. The gentleman from Illinois [Mr. RAINEY] asks unanimous consent that he may offer a motion, which shall be read and considered as pending. Without objection the Clerk will read the motion.

There was no objection.

The Clerk read as follows:

Motion by Mr. HENRY T. RAINEY: Amendment 371: That the House insist on its disagreement to the amendment of the Senate No. 371.

Mr. COOPER of Wisconsin. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from Wisconsin will state the parliamentary inquiry.

Mr. COOPER of Wisconsin. I wish, first, to direct the attention of the Chair to the dual character of the motion made by the gentleman from Oregon [Mr. HAWLEY]. It contains two entirely separate and distinct propositions, one to put a tariff on hewn, sided, squared, and so forth, lumber, and the other to put railroad ties, telephone and telegraph, trolley, and electric light poles, all of wood, on the free list. Now some Members of the House, including myself, are in favor of one of these propositions and against the other. And yet, as they are both in one motion, on which we can vote only once and only "aye" or "no," we will be compelled, if we vote at all, to vote either for something to which we are opposed, or against something that we favor.

As I have said, these are separate and distinct propositions, one putting a tariff on certain specified articles and the other placing certain other articles on the free list, and they should not be combined in one motion.

The SPEAKER. But they are combined in one motion.

The question is on agreeing to the motion of the gentleman from Oregon [Mr. HAWLEY].

The question was taken; and on a division (demanded by Mr. HAWLEY) there were—ayes 178, noes 230.

Mr. HAWLEY. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas 144, nays 250, answered "present" 1, not voting 33, as follows:

## [Roll No. 31]

## YEAS—144

Abernethy	Drewry	Kemp	Sandlin
Ackerman	Driver	Kerr	Schafer, Wis.
Adkins	Eaton, Colo.	Kless	Seger
Arentz	Eaton, N. J.	Kinzer	Shaffer, Va.
Aswell	Edwards	Korell	Smith, Idaho
Bacharach	Elliott	Langlely	Smith, W. Va.
Barbour	Ellis	Lankford, Ga.	Spearing
Beers	Englebright	Lankford, Va.	Steagall
Bell	Estep	Larsen	Strong, Pa.
Bohn	Evans, Calif.	Lea	Summers, Wash.
Bowman	Evans, Mont.	Lehlbach	Swick
Box	Finley	Letts	Swing
Briggs	Fish	McLaughlin	Taber
Brigham	Fort	Magrady	Taylor, Tenn.
Brumm	Free	Mapes	Thatcher
Butler	French	Mead	Thompson
Cable	Garber, Va.	Merritt	Tilson
Campbell, Pa.	Garrett	Michener	Timberlake
Carter, Calif.	Gibson	Miller	Turpin
Carter, Wyo.	Golder	Murphy	Vestal
Clarke, N. Y.	Green	Monte	Vincent, Mich.
Collins	Hadley	Nelson, Me.	Watres
Colton	Hall, Ind.	O'Connor, La.	Watson
Connolly	Hall, Miss.	Owen	Welsh, Pa.
Cooke	Hancock	Parker	Whitley
Cooper, Ohio	Hardy	Parks	Whittington
Coyle	Hawley	Perkins	Wilson
Craill	Hickey	Pittinger	Wingo
Cramton	Hill, Wash.	Pou	Wolfenden
Crowther	Hoffman	Pratt, Harcourt J.	Wolverton, N. J.
Culkin	Hooper	Purnell	Wolverton, W. Va.
Darrow	Hudson	Ransley	Wood
Dempsey	Hull, William E.	Reece	Woodruff
DeRouen	Johnson, Wash.	Reed, N. Y.	Wurzbach
Doutrich	Jonas, N. C.	Reid, Ill.	Yon
Drane	Kahn	Sanders, N. Y.	Zihlman

## NAYS—250

Aldrich	Doughton	Kading	Pratt, Ruth
Allen	Douglas, Ariz.	Kearns	Pritchard
Allgood	Douglass, Mass.	Kelly	Quayle
Almon	Dowell	Kendall, Ky.	Quin
Andresen	Doxey	Kendall, Pa.	Ragon
Andrew	Dunbar	Kennedy	Rainey, Henry T.
Arnold	Dyer	Ketcham	Ramey, Frank M.
Auf-der Heide	Eslick	Kiefner	Ramseyer
Ayres	Esterly	Kincheloe	Ramspeck
Bachmann	Fenn	Knutson	Rankin
Bacon	Fisher	Kopp	Rayburn
Baird	Fitzgerald	Kvale	Robinson
Bankhead	Fitzpatrick	LaGuardia	Rogers
Beedy	Foss	Lambertson	Romjue
Black	Freeman	Lampert	Rutherford
Blackburn	Fuller	Lanham	Sabath
Bland	Fulmer	Leavitt	Sanders, Tex.
Bolton	Gambrell	Lindsay	Schneider
Boylan	Garber, Okla.	Linthicum	Sears
Brand, Ga.	Gasque	Lozier	Seiberling
Brand, Ohio	Gavagan	Luce	Selvig
Browne	Gifford	McClintic, Okla.	Short, Mo.
Browning	Glover	McClintock, Ohio	Shott, W. Va.
Brunner	Goldsborough	McCormack, Mass.	Simmons
Buchanan	Goodwin	McCormick, Ill.	Sinclair
Buckbee	Granfield	McDuffie	Sloan
Burdick	Greenwood	McKeown	Snow
Burtness	Gregory	McLeod	Somers, N. Y.
Busby	Griffin	McMillan	Sparks
Byrns	Guyler	McReynolds	Speaks
Campbell, Iowa	Hale	McSwain	Sprout, Ill.
Canfield	Hall, Ill.	Maas	Sprout, Kans.
Cannon	Hall, N. Dak.	Manlove	Stafford
Carley	Halsey	Mansfield	Stalker
Cartwright	Hammer	Martin	Stevenson
Celler	Hare	Menges	Stobbs
Chalmers	Hartley	Michaelson	Strong, Kans.
Christgau	Hastings	Milligan	Sullivan, N. Y.
Christopherson	Haugen	Montague	Summers, Tex.
Clague	Hess	Moore, Ky.	Swanson
Clancy	Hill, Ala.	Moore, Ohio	Tarver
Clark, N. C.	Hoch	Moore, Va.	Temple
Cochran, Mo.	Hogg	Morehead	Thurston
Cochran, Pa.	Holiday	Morgan	Tinkham
Cole	Hope	Mouser	Treadway
Collier	Hopkins	Nelson, Mo.	Underhill
Connery	Houston, Del.	Nelson, Wis.	Underwood
Cooper, Tenn.	Howard	Newhall	Vinson, Ga.
Cooper, Wis.	Huddleston	Niedringhaus	Wainwright
Corning	Hull, Morton D.	Nolan	Walker
Cox	Hull, Tenn.	Norton	Warren
Craddock	Hull, Wis.	O'Connell, N. Y.	Wason
Crisp	Igoe	O'Connor, Okla.	Welch, Calif.
Cross	Irwin	O'Connor, N. Y.	White
Crosser	Jeffers	Oldfield	Whitehead
Cullen	Jenkins	Oliver, Ala.	Wigglesworth
Dallinger	Johnson, Ind.	Oliver, N. Y.	Williams
Davenport	Johnson, Nebr.	Palmer	Williamson
Davis	Johnson, Okla.	Palmisano	Woodrum
Denison	Johnson, S. Dak.	Patman	Wright
De Priest	Johnson, Tex.	Patterson	Yates
Dickstein	Johnston, Mo.	Peavey	
Dominick	Jones, Tex.	Prall	

## ANSWERED "PRESENT"—1

## Chindblom

## NOT VOTING—33

Beck	Curry	Graham	Kurtz
Bloom	Dickinson	Hudspeth	Leech
Britten	Doyle	James	Ludlow
Chase	Frear	Johnson, Ill.	McFadden
Clark, Md.	Garner	Kunz	Mooney



O'Connell, R. I. Simms Stone Wyant  
Porter Sirovich Sullivan, Pa.  
Rowbottom Snell Taylor, Colo.  
Shreve Stedman Tucker

So the motion to recede and concur with an amendment was rejected.

The Clerk announced the following pairs:  
On this vote:

Mr. Beck (for) with Mr. Garner (against).  
Mr. Graham (for) with Mr. Dickinson (against).  
Mr. Simms (for) with Mr. Stedman (against).  
Mr. Shreve (for) with Mr. Ludlow (against).  
Mr. Hudspeth (for) with Mr. McFadden (against).  
Mr. Britten (for) with Mr. Tucker (against).  
Mr. Chindblom (for) with Mr. Bloom (against).  
Mr. Leech (for) with Mr. Doyle (against).  
Mr. Wyant (for) with Mr. Mooney (against).  
Mr. Kurtz (for) with Mr. Kunz (against).  
Mr. Clark of Maryland (for) with Mr. Sirovich (against).

Until further notice:

Mr. Porter with Mr. Taylor of Colorado.  
Mr. Snell with Mr. O'Connell of Rhode Island.  
Mr. Johnson of Illinois with Mr. Stone.  
Mr. Curry with Mr. Rowbottom.  
Mr. Chase with Mr. James.  
Mr. Frear with Mr. Sullivan of Pennsylvania.

Mr. CHINDBLOM. Mr. Speaker, the gentleman from New York [Mr. Bloom] wanted a pair on this vote. I have a pair with the gentleman, and I ask, therefore, to withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the motion of the gentleman from Illinois.

The Clerk read as follows:

Motion by Mr. HENRY T. RAINEY: That the House insist on its disagreement to the amendment of the Senate No. 371.

The SPEAKER. The question is on the motion of the gentleman from Illinois.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 372: On page 123, after line 8, strike out paragraph 402, which reads as follows:

"Maple (except Japanese maple) and birch: Boards, planks, deals, laths, ceiling, flooring, and other lumber and timber (except logs), 15 per cent ad valorem."

And insert:

"PAR. 402. Maple (except Japanese maple), birch, and beech: Flooring, 8 per cent ad valorem."

Mr. HAWLEY. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment.

Mr. HENRY T. RAINEY. Mr. Speaker, I offer a preferential motion.

The SPEAKER. The gentleman from Illinois offers a motion, which the Clerk will report.

The Clerk read as follows:

Motion by Mr. HENRY T. RAINEY: That the House recede from its disagreement to the amendment of the Senate No. 372 and concur in the same.

Mr. CRISP. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Illinois.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 373, page 123, strike out:

"PAR. 403. Shingles of wood, 25 per cent ad valorem."

Mr. HAWLEY. Mr. Speaker, I move that the House recede and concur with an amendment.

The SPEAKER. The gentleman from Oregon offers a motion, which the Clerk will report.

The Clerk read as follows:

Motion by Mr. HAWLEY: I move that the House recede and concur in Senate amendment No. 373, with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

"PAR. 403. Shingles of wood, 15 per cent ad valorem."

Mr. HENRY T. RAINEY. Mr. Speaker, I offer a preferential motion.

The SPEAKER. The gentleman from Illinois offers a motion, which the Clerk will report.

The Clerk read as follows:

Motion by Mr. RAINEY: That the House recede from its disagreement to the amendment of the Senate No. 373 and concur in the same.

Mr. HAWLEY. Mr. Speaker, I move the previous question. The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Illinois to recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. HAWLEY) there were—ayes 280, noes 102.

Mr. HENRY T. RAINEY. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 279, nays 110, answered "present" 1, not voting 38, as follows:

[Roll No. 32]

YEAS—279

Abernethy	Douglass, Mass.	Jones, Tex.	Pritchard
Allen	Dowell	Kading	Quayle
Allgood	Doxey	Kelly	Quin
Almon	Drewry	Kendall, Ky.	Ragon
Andresen	Driver	Kendall, Pa.	Rainey, Henry T.
Andrew	Dunbar	Kennedy	Ramseyer
Arnold	Dyer	Kerr	Ramspeck
Auf der Heide	Eaton, N. J.	Ketcham	Rankin
Ayres	Edwards	Kiefler	Rayburn
Bachmann	Elliott	Kincheloe	Robinson
Bacon	Eslick	Knutson	Rogers
Baird	Esterly	Kopp	Romjue
Bankhead	Evans, Mont.	Kvale	Rutherford
Beedy	Fenn	LaGuardia	Sabath
Bell	Fish	Lambertson	Sanders, N. Y.
Black	Fisher	Lampert	Sanders, Tex.
Blackburn	Fitzgerald	Lanham	Sandlin
Bland	Fitzpatrick	Lankford, Ga.	Schafer, Wis.
Bolton	Foss	Larsen	Schneider
Box	Freeman	Leavitt	Sears
Boylan	Fulmer	Lindsay	Seiberling
Brand, Ga.	Gambrell	Linthicum	Selvig
Brand, Ohio	Garber, Okla.	Lozier	Short, Mo.
Briggs	Garrett	Luce	Shott, W. Va.
Brigham	Gasque	McClintic, Okla.	Simmons
Browne	Gavagan	McClintock, Ohio	Sinclair
Browning	Gibson	McCormack, Mass.	Sloan
Brunner	Gifford	McCormick, Ill.	Smith, W. Va.
Buchanan	Glover	McDuffie	Snow
Buckbee	Goldsborough	McKeown	Somers, N. Y.
Burdick	Goodwin	McLeod	Sparks
Burness	Greenwood	McMillan	Speaks
Busby	Gregory	McReynolds	Sproul, Ill.
Byrns	Griffin	Maas	Sproul, Kans.
Campbell, Iowa	Guyer	Manlove	Stafford
Canfield	Hale	Mansfield	Stalker
Cannon	Hall, Ill.	Martin	Stegall
Carley	Hall, Ind.	Mead	Stevenson
Cartwright	Hall, Miss.	Menges	Stobbs
Celler	Hall, N. Dak.	Merritt	Strong, Kans.
Chalmers	Halsey	Michaelson	Sullivan, N. Y.
Christgau	Hammer	Milligan	Sumners, Tex.
Christopherson	Hare	Montague	Swanson
Clague	Hartley	Moore, Ky.	Taber
Clancy	Hastings	Moore, Ohio	Tarver
Clark, N. C.	Haugen	Moore, Va.	Temple
Cochran, Mo.	Hess	Morehead	Thatchcer
Cochran, Pa.	Hill, Ala.	Morgan	Thompson
Cole	Hoch	Mouser	Thurston
Collier	Hogg	Nelson, Mo.	Tinkham
Collins	Holaday	Nelson, Wis.	Treadway
Connery	Hope	Newhall	Underhill
Cooper, Ohio	Hopkins	Niedringhaus	Underwood
Cooper, Tenn.	Houston, Del.	Nolan	Vinson, Ga.
Cooper, Wis.	Howard	Norton	Wainwright
Corning	Huddleston	O'Connell, N. Y.	Walker
Cox	Hull, Morton D.	O'Connor, N. Y.	Warren
Craddock	Hull, Tenn.	O'Connor, Okla.	Wason
Crisp	Hull, Wis.	Oldfield	Welch, Calif.
Cross	Igoe	Oliver, Ala.	White
Crosser	Irwin	Oliver, N. Y.	Whitley
Cullen	Jeffers	Palmer	Whittington
Dallinger	Jenkins	Palmisano	Wigglesworth
Davenport	Johnson, Ind.	Parks	Williams
Davis	Johnson, Nebr.	Patman	Williamson
Denison	Johnson, Okla.	Patterson	Wingo
De Priest	Johnson, S. Dak.	Peavey	Woodrum
Dickstein	Johnson, Tex.	Pou	Wright
Dominick	Johnston, Mo.	Prall	Yates
Doughton		Pratt, Ruth	

NAYS—110

Ackerman	Cramton	Hardy	Magrady
Adkins	Crowther	Hawley	Mapes
Aldrich	Culkin	Hickey	Michener
Arentz	Darrow	Hill, Wash.	Miller
Aswell	Dempsey	Hoffman	Montet
Bacharach	DeRouen	Hooper	Murphy
Barbour	Doutrich	Hudson	Nelson, Me.
Beers	Drane	Hull, William E.	O'Connor, La.
Bohn	Eaton, Colo.	Johnson, Wash.	Owen
Bowman	Ellis	Jonas, N. C.	Parker
Brumm	Englebright	Kahn	Perkins
Butler	Estep	Kearns	Pittenger
Cable	Evans, Calif.	Kemp	Pratt, Harcourt J.
Campbell, Pa.	Finley	Kiess	Purnell
Carter, Calif.	Fort	Kinzer	Ransley
Carter, Wyo.	Free	Korell	Reece
Clarke, N. Y.	French	Langley	Reed, N. Y.
Colton	Garber, Va.	Lankford, Va.	Reid, Ill.
Connolly	Golder	Lea	Seger
Cooke	Green	Lehlbach	Shaffer, Va.
Coyle	Hadley	Letts	Smith, Idaho
Crail	Hancock	McLaughlin	Spearing

Strong, Pa.  
Summers, Wash.  
Swick  
Swing  
Taylor, Tenn.  
Tilson

Timberlake  
Turpin  
Vestal  
Vincent, Mich.  
Watres  
Watson

Welsh, Pa.  
Wilson  
Wolfenden  
Wolverton, N. J.  
Wolverton, W. Va.  
Wood

Woodruff  
Wurzbach  
Yon  
Zihlman

## ANSWERED "PRESENT"—1

Chindblom

## NOT VOTING—38

Beck  
Bloom  
Britten  
Chase  
Clark, Md.  
Curry  
Dickinson  
Douglas, Ariz.  
Doyle  
Frear

Fuller  
Garner  
Graham  
Hudspeth  
James  
Johnson, Ill.  
Kunz  
Kurtz  
Leech  
Ludlow

McFadden  
McSwain  
Mooney  
O'Connell, R. I.  
Porter  
Ramey, Frank M.  
Rowbottom  
Shreve  
Simms  
Sirovich

Snell  
Stedman  
Stone  
Sullivan, Pa.  
Taylor, Colo.  
Tucker  
Whitehead  
Wyant

So the motion to recede and concur in the Senate amendment was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Bloom (for) with Mr. Chindblom (against).  
Mr. Stedman (for) with Mr. Simms (against).  
Mr. Ludlow (for) with Mr. Shreve (against).  
Mr. McFadden (for) with Mr. Hudspeth (against).  
Mr. Tucker (for) with Mr. Britten (against).  
Mr. Whitehead (for) with Mr. Leech (against).  
Mr. Dickinson (for) with Mr. Graham (against).  
Mr. Mooney (for) with Mr. Wyant (against).  
Mr. Kunz (for) with Mr. Kurtz (against).  
Mr. Garner (for) with Mr. Beck (against).  
Mr. Sirovich (for) with Mr. Clark of Maryland (against).

Until further notice:

Mr. Porter with Mr. Taylor of Colorado.  
Mr. Snell with Mr. O'Connell of Rhode Island.  
Mr. Johnson of Illinois with Mr. Douglas of Arizona.  
Mr. Curry with Mr. Fuller.  
Mr. Frear with Mr. McSwain.  
Mr. James with Mr. Doyle.  
Mr. Chase with Mr. Rowbottom.  
Mr. Stone with Mr. Sullivan of Pennsylvania.

Mr. CHINDBLOM. Mr. Speaker, I am recorded as voting. I have a pair with the gentleman from New York, Mr. BLOOM. I desire to withdraw my vote and answer "Present."

Mr. McSWAIN. Mr. Speaker, I wish to vote "aye."

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. McSWAIN. If I had been present, I would have voted "aye," but I was not present, Mr. Speaker.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment. The Clerk read as follows:

Amendment No. 376: On page 123, after line 24, strike out "Japanese maple, and all cabinet woods (except teak): In the log, 10 per cent ad valorem; boards, planks, deals, flooring, and other lumber and timber," and insert "and Japanese maple: In the form of sawed boards, planks, deals, and all other forms not further manufactured than sawed, and flooring."

Mr. HAWLEY. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

Mr. CRISP. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CRISP. There are several amendments on the free list numbered 1035, 1091, 1092, 1093, and 1095, that were placed on the free-list paragraph by the Senate on account of the duties on lumber which have just been disposed of by the House. Of course, these amendments on the free list should be disposed of to conform with the action of the House that has been taken on the various motions in the last few minutes. The control of the House on these amendments having changed from the majority to the minority, I ask whether I or some one on the minority would not be entitled to make motions to properly dispose of these amendments on the free list.

The SPEAKER. The Chair would be willing to recognize the gentleman to ask unanimous consent, but thinks the gentleman from Oregon is entitled to recognition.

Mr. CRISP. Then I ask unanimous consent, Mr. Speaker, that I may make the motion dealing with these amendments on the free list.

Mr. JOHNSON of Washington. Mr. Speaker, reserving the right to object, will the gentleman again state what he is proposing to do?

Mr. CRISP. All right; I propose to dispose of the amendments on the free list that deal with the articles which the House has just disposed of. On amendment 1035 my motion will be to recede and concur in the Senate amendment, on

amendment 1091 it will be that the House insist on its disagreement to the Senate amendment, on amendment No. 1092 a motion to recede and concur in the Senate amendment, on amendment 1093 a motion that the House insist on its disagreement to the Senate amendment, and on amendment No. 1095 that the House insist on its disagreement to the Senate amendment.

Mr. JOHNSON of Washington. I will say that I have no objection to that parliamentary procedure.

Mr. HENRY T. RAINEY. Mr. Speaker—

The SPEAKER. For what purpose does the gentleman from Illinois rise?

Mr. HENRY T. RAINEY. Mr. Speaker, I move to reconsider the votes just taken on the lumber and timber amendments and to lay that motion on the table.

The motion was agreed to.

Mr. CRISP. Mr. Speaker, I accept the suggestion of the Speaker and ask unanimous consent that I be permitted to offer motions relative to the amendments that I have referred to—1035, 1091, 1092, 1093, and 1095.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. RAMSEYER. Reserving the right to object, Mr. Speaker, I do not see the necessity of asking unanimous consent. They are on the list and are the next in order.

Mr. CRISP. This disposes of the matter.

Mr. RAMSEYER. Does the gentleman want to consider them together?

Mr. CRISP. No; if this request is granted, I will make the motions separately.

Mr. RAMSEYER. Very well.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CRISP. Mr. Speaker, I move that the House recede and concur in Senate amendment No. 1035.

The motion was agreed to.

Mr. CRISP. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendment No. 1091.

The motion was agreed to.

Mr. CRISP. Mr. Speaker, I move that the House recede and concur in Senate amendment No. 1092.

The motion was agreed to.

Mr. CRISP. Mr. Speaker, I move that the House insist on its disagreement to Senate amendment No. 1093.

The motion was agreed to.

Mr. CRISP. Mr. Speaker, I move that the House insist on its disagreement to Senate amendment 1095.

The motion was agreed to.

Mr. CRISP. Mr. Speaker, I move to reconsider the votes by which the action just taken was had and to lay that motion on the table.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment 394, page 127, line 8: Strike out "1.5625 cents" and insert "1.7125 cents."

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent that the three amendments be considered together, both for purpose of debate and vote.

The SPEAKER. The gentleman from Oregon asks unanimous consent that Senate amendments 394, 395, and 396 be considered together both for the purpose of debate and the purpose of amendment. Is there objection?

There was no objection.

The Senate amendments 395 and 396 are as follows:

Senate amendment 395, page 127, line 10, strike out "but not above 94 sugar degrees, 625" and insert "375."

Senate amendment 396, page 127, line 13, strike out the following language: " ; testing by the polariscope 94 sugar degrees, 2.75 cents per pound, and for each additional sugar degree shown by the polariscopic test, 0.125 of 1 cent per pound additional, and fractions of a degree in proportion."

Mr. HAWLEY. Mr. Speaker, I yield one-half of my hour to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Speaker, I suggest that we have 30 minutes debate on a side on the three amendments.

Mr. HAWLEY. That would be the rule. I have an hour, and I would yield one-half of that hour to the gentleman from Georgia.

The SPEAKER. The gentleman from Oregon asks unanimous consent that debate on the three amendments be limited to one



hour, one half to be controlled by himself and the other half by the gentleman from Georgia. Is there objection?

Mr. CRAMTON. I suppose that carries with it the understanding that the half hour controlled by the gentleman from Oregon [Mr. HAWLEY] will be divided between those who are opposed and those who are in favor on this side, and the half hour yielded to the gentleman from Georgia will be divided between those who favor and oppose the proposition on that side?

Mr. CRISP. It is my intention if I control one-half of the time to give to those favoring a duty on sugar 15 minutes.

Mr. COLLIER. Reserving the right to object, which, of course, I shall not do, I wish to say that the entire disposition of the time on sugar has been placed in the hands of my friend from Georgia, and I express the hope that he will have the 1,000 per cent success that my good friend from Illinois had a few moments ago. [Laughter and applause.]

The SPEAKER. Is there objection. [After a pause.] The Chair hears none.

Mr. HAWLEY. Mr. Speaker, I make the following motion: The Clerk read as follows:

Mr. HAWLEY moves that in amendment No. 394 the House recede from its disagreement to the amendment of the Senate numbered 394, and concur in the same.

Amendment numbered 395: That the House recede from its disagreement to the amendment of the Senate numbered 395, and concur in the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "but not above 86 sugar degrees, 0.0375 of 1 cent per pound additional, and fractions of a degree in proportion; testing by the polariscope 86 sugar degrees, 2.125 cents per pound, and for each additional sugar degree shown by the polariscopic test but not above 96 sugar degrees, 625."

Amendment numbered 396: That the House recede from its disagreement to the amendment of the Senate numbered 396, and concur in the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert a semicolon and the following: "testing by the polariscope 96 sugar degrees, 2.75 cents per pound, and for each additional sugar degree shown by the polariscopic test, 0.125 of 1 cent per pound additional, and fractions of a degree in proportion."

Mr. CRISP. Mr. Speaker, I offer a preferential motion to concur in all three Senate amendments.

Mr. HAWLEY. Mr. Speaker, the amendment that I have just offered provides a schedule by which the duty against world sugar will be 2.75 cents per pound and against sugar imported from Cuba at 96°, 2.20 cents per pound. The Ways and Means Committee held long and careful hearings on this subject. Every possible investigation to obtain information as to the industry and its needs and the relief the tariff ought to afford it was made. The experts of the Tariff Commission and of various other departments of the Government were summoned and inquired of, and as a conclusion, from the standpoint of the needs of the industry and the justice that ought to be done it, the House reported a rate of 2.40 cents as against Cuban sugar. The Senate, however, has made the rate 2 cents against Cuban sugar, and the proposed amendment is a compromise exactly halfway between the proposal of the Senate and the proposal of the House, and in my judgment it is the least the industry can receive and enjoy the prosperity to which it is entitled. On this essential commodity of life we ought to be a self-sustaining and self-providing nation. It is the cheapest food commodity in the market. No matter where you go, into the poorest restaurant, there are three things that are free—sugar, pepper, and salt. In my judgment, the duties proposed will greatly benefit this essential industry and not be felt in the purchases made by consumers, and sugar will continue to be the cheapest food commodity on the market.

I yield 30 minutes to the gentleman from Georgia.

Mr. CRISP. Mr. Speaker, I know the House is tired, and I shall detain it but a few moments. Nothing that I can say will change anyone's vote on this question. It is the most controversial item in the tariff bill. Every Member of the House has made up his mind as to how he will vote. The gentleman from Oregon offers a motion, the effect of which will be to impose a duty of 2.20 cents a pound on sugar coming from Cuba. The effect of the motion I have made to concur in the three amendments is to have a duty of 2 cents a pound against Cuban sugar, and that is the only sugar that really affects the American market. From a parliamentary point of view the House, having passed a bill for 2.40 cents and the Senate for 2 cents, we can not go below 2 cents nor above 2.40 cents. The matter must be disposed of within those bounds. My motion is to take the lowest possible rate that can be voted on from a parliamentary viewpoint under existing conditions. It is more than ample protection for the sugar industry, and fur-

ther taxes the American consumers \$32,000,000 in addition to what they are now paying sugar producers under existing law. I am not going to argue the question of the merits or demerits of the situation. As I said, you are all familiar with it. I do say this, however, that gentlemen on the Republican side are great believers in the Tariff Commission and the flexible provision of the Tariff Commission.

When Mr. Coolidge, an able man, a conservative man, was President the Tariff Commission made an exhaustive study as to what rate would equal the difference between the cost of production of sugar here and elsewhere, and the Tariff Commission recommended that the rate of 1.76 cents as against sugar be reduced. The President did not act on that.

Mr. FREE. Mr. Speaker, will the gentleman yield?

Mr. CRISP. No.

Mr. FREE. Is it not a fact that the President turned down the recommendation of the Tariff Commission?

Mr. CRISP. My recollection is that the public was guessing for over a year, until after the election, as to what the action of the Tariff Commission was; and when it came out it was a recommendation that that rate be reduced. The President did not approve the recommendation of the Tariff Commission. I do not yield any further. That is the situation before you. If you favor 2 cents duty on sugar instead of a higher duty, you should vote for the motion that I have made, to recede and concur in the Senate amendment.

I reserve the remainder of my time.

Mr. HAWLEY. Mr. Speaker, I yield three minutes to the gentleman from Indiana [Mr. PURNELL].

Mr. PURNELL. Mr. Speaker, I seriously appeal to every friend of American agriculture on the floor of this House to support the motion of the gentleman from Oregon, not only in the interest of the sugar farmers themselves but in the interest of agriculture. I heartily approve the action taken thus far on the agricultural schedules, in which we have made adequate increases, but I submit that the American producer of sugar is also engaged in agriculture. [Applause.]

Do not lose sight of the fact that sugar is a product of the American farm and is just as much a part of agriculture as is wheat, cotton, and livestock. During the past 10 years our Committee on Agriculture has been seriously dealing with the question of surplus production. We are agreed that one of the surest methods of solving the question of farm surpluses is through diversification, and no single industry so lends itself to diversified farming and adds as much wealth to the community as does the growing of sugar beets. We speak of a balanced agriculture. You have heard it in every debate in this House. Here is one sure way to get it. An adequate tariff on sugar will encourage and increase production of American sugar and render us less dependent on foreigners and foreign production. Every acre turned to the production of sugar beets will take out of production an acre of land now devoted to the growing of some crop of which we have an exportable surplus. Failure to grant such protection will mean an increased production of from 75,000,000 to 100,000,000 bushels of wheat. This is not only the judgment of the members of the Committee on Agriculture but is also the judgment of the great farm organizations through which the farmers of this Nation have spoken time and time again. Last September, 12 of the leading organizations representing farmers in this country made a statement to the Senators in which they said:

Without a material increase in the duties above the Fordney-McCumber rates, the sugar industry of this country will suffer severe hardships.

At the head of that list of 12 organizations we find two of the foremost farm organizations of the Nation, namely, the American Farm Bureau Federation and the National Grange. Their position to-day is unchanged. Only this morning Members of the House received a communication addressed to Hon. WILLIS W. HAWLEY, chairman of the Ways and Means Committee, signed by Mr. Chester H. Gray, Washington representative of the American Farm Bureau Federation, in which it is stated that while the House rate of 2.40 cents per pound as contained in the House bill is none too high to promote a domestic sugar production, nevertheless the rate of 2.20 cents per pound will be helpful and is necessary to protect the industry and benefit agriculture generally. The letter is as follows:

WASHINGTON, D. C., May 1, 1930.

Copy to all Members of Congress.

Hon. WILLIS W. HAWLEY,

Chairman Ways and Means Committee,

House of Representatives, Washington, D. C.

MY DEAR CHAIRMAN HAWLEY: It is understood from press reports and otherwise that you at the proper time will introduce an amendment proposing a 2.20-cent-per-pound rate of duty on sugar from Cuba.

This proposed action on your part deserves to be commended, even though the rate which is contemplated in your amendment is not adequate to give the sugar producers of the Nation that protection which they justly should have. With the difference, however, in the Senate and House bills relative to the rate on sugar, it is reasonable to strike an average which brings us to the 2.20-cent rate. All legislation, as is so often stated, is a matter of compromise, and the compromise at 2.20 cents per pound will secure a rate on sugar of some material assistance to the growers and of no particular burden to the other groups in our Nation.

On September 8, 1929, 12 farm organizations sent a letter to the Members of the Senate, in which it was stated: "Without a material increase in the duty (on sugar) above the Fordney-McCumber rate the sugar industry of this country will suffer severe hardships. It has been shown by the growers that rates of duty such as have been asked for by the farm organizations would lead to profitable cane and beet production and would adequately increase the cane and beet acreages." In the list of commodities attached to this letter, upon which higher rates of duty were asked by the dozen organizations signatory thereto, sugar was included at "not less than House rates."

Sugar presents an ideal tariff problem. Its production is now demonstrated to be practicable in our Nation, both from cane and beets; its present amount of production within our Nation classifies it as an infant industry compared to the total sugar consumption of our Nation; its extent of production can be greatly magnified before any evidence of surplus appears; and there are citizens, both producers and refiners, willing and ready to put money and energy into the greater production of sugar if only more reasonable protection is given.

The reverse of the above-described tariff problem on sugar will assuredly be true if reasonable protection such as is to be proposed in your amendment is not given. It will not be possible to supplant surplus producing acreages of other crops by the substitution of sugar acreages, even though such sugar production is climatically possible; it will be wholly impossible to increase the percentage of our domestically produced sugar compared to foreign importations; and instead of money and activity going into the sugar business, both of production and refining, they will be withdrawn therefrom. In other words, Congress is at the point now of deciding whether the United States is to render itself more nearly self-sufficing in its sugar supply or is to become more and more dependent upon foreign supplies.

The House rate of 2.40 cents per pound is none too high adequately to promote a domestic sugar production. The rate of 2.20 cents per pound will be helpful in accomplishing this goal and appears to be a happy medium upon which all who are interested in benefiting agriculture, and in securing the production within our own boundaries more nearly of a national supply of sugar, might agree.

Very respectfully,

AMERICAN FARM BUREAU FEDERATION,  
CHESTER H. GRAY,  
*Washington Representative.*

Much has been said in this debate about the consumer. Let me remind you that the American farmer is also a consumer of sugar just the same as the man who works in a factory. He is willing to pay his proportionate part of any increase in price that may be passed on to him as a consumer, knowing that at most it can add little more than 20 cents per year per capita to his budget. After all, sugar is America's cheapest food. The individual consumer has little to complain of when he can buy 10 pounds of sugar for a half dollar.

I make no plea for preferential treatment of sugar. I ask merely that the sugar farmers of the Nation be given the same degree of intelligent consideration that we have extended to those of our farmers who grow other crops. I am not half as much concerned about the beet-sugar industry as I am about our agriculture as a whole, but simple justice to the sugar farmers demands the 2.20 rate as a minimum of protection. I submit that the sugar farmer is entitled to the same consideration as his neighbor who grows onions or produces beef.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. CRISP. Mr. Speaker, I yield 15 minutes of the time under my control to the gentleman from Louisiana [Mr. O'CONNOR] and ask him to divide it among his colleagues from Louisiana.

Mr. O'CONNOR of Louisiana. Mr. Speaker, on behalf of the Louisiana delegation I thank the gentleman from Georgia for his very generous attitude toward Louisiana on this and on other occasions. I yield five minutes to the gentleman from Louisiana [Mr. MONTET].

Mr. MONTET. Mr. Speaker, it is utterly impossible to enter into a detailed discussion of any phase of the proposed sugar tariff within the time allotted for the discussion of this schedule; however, there are a few observations that I want to submit in the limited time allotted me.

Some time ago I called the attention of the House to what I believed was the necessity of maintaining a sugar industry in

continental United States. I called attention to the fact that sugar was and still is the cheapest food commodity on the American market.

No later than yesterday one of the local papers carried an item from New York, reporting that July sugar futures sold for 1.53 cents a pound, the cheapest price at which sugar has been quoted in over a quarter of a century. You gentlemen who are interested in helping the farmers, let me tell you that sugar is the product of the farm; that the people growing sugar beets and sugarcane in this country are farmers, and entitled to the name of farmers just as much as the farmers who grow wheat, corn, and other crops. We are entitled to as much assistance as any other farming activity in the United States. And I grant that others are entitled to the same measure of protection we are asking for here.

What are we asking for here? Simply an increase of two-tenths of a cent over the Senate rate.

The average family consumption of sugar in this country is 60 pounds per capita. The total annual consumption is 104 pounds per capita, but that includes sugar used in confections, pops, soft drinks, candies, and so forth.

The average consumption for family use is 60 pounds per capita.

The increase proposed by the gentleman from Oregon [Mr. HAWLEY] is an increase of one-fifth of 1 cent a pound, which means an annual increase in the cost of living of 12 cents per capita. Just think, 12 cents per capita! That 12 cents per capita will probably mean the saving of the sugar industry in this country, and I earnestly hope that none who are solicitous for the well-being of the farmer are going to turn a deaf ear to the appeals of the sugar farmers of this country. We are not asking for anything more than simple justice.

We know the propaganda that has been carried on by the confectionery, candy, and soft drink people of this country. We should remember that in every 120 bottles of 5-cent pop 6 pounds of sugar are used, and if the proposed amendment prevails, the 120 bottles of pop will bear an additional cost of 3 cents. Do you believe they are going to reduce the size of the pop bottle? We all know the size and contents will remain the same.

Another propaganda, in behalf of the candy people, is headed by the Hershey interests, who have admitted they have an investment of \$50,000,000 in the sugar industry of Cuba. They had the temerity to send out to-day propaganda against the sugar industry on account, as they say, of the class of labor used in the sugar-beet fields. The Hershey people themselves employ the cheapest kind of Cuban labor in their Cuban factories, so how can they complain of the labor used in this country with any degree of propriety?

I am sorry that the time allotted me does not permit that I enter into a full discussion of this tariff schedule, but let me say that I do hope that the Members of this House will bear in mind that this is a final appeal for a languishing but most worthy and necessary industry. [Applause.]

The SPEAKER. The time of the gentleman from Louisiana has expired.

Mr. O'CONNOR of Louisiana. Mr. Speaker, I yield two minutes to the gentleman from Florida [Mr. GREEN].

The SPEAKER. The gentleman from Florida is recognized for two minutes.

Mr. GREEN. Mr. Speaker and Members of the House, I shall vote for a tariff duty on sugar because I believe that it is in the interest of agriculture, because throughout my State sugarcane growing is increasing, and because in the vicinity of the Florida Everglades alone there is an investment of \$17,000,000 in sugar plantations. This investment, I understand, will soon be raised to \$72,000,000. This single concern now has employed 2,500 persons. As the plant is enlarged, of course, more persons will receive employment. These employees are farmers the same as farmers in other sections of the country and are entitled to benefits and protection.

We likewise voted for a tariff on lumber, because in Florida alone there are approximately 30,000,000 acres of forest lands. This industry is one of the greatest in Florida and desires and needs protection.

It is time, my friends, that not only the East and the North and the West join in measures of protection but also the South when it can be benefited. [Applause.]

I shall cast my vote for sugar as I have cast my vote for lumber; as I cast my vote for the general tariff protective bill several months ago. [Applause.]

This tariff bill carries great benefits to Florida. Many Florida items have been written into the bill at the insistence of the Florida congressional delegation; therefore we have and will support the bill. In this I believe we are justified.

Thousands of farmers in my district are making a surplus of sirup from their sugarcane; this sirup is offered on the market



now at a sacrifice; therefore the sugar tariff will help them and will not injure in actuality anyone. [Applause.]

The SPEAKER. The time of the gentleman from Florida has expired.

Mr. O'CONNOR of Louisiana. Mr. Speaker, I yield four minutes to the gentleman from Louisiana [Mr. SPEARING].

The SPEAKER. The gentleman from Louisiana is recognized for four minutes.

Mr. SPEARING. Mr. Speaker and colleagues, it seems to me that if there is one product which is entitled to be considered in a tariff bill in the interest of agriculture it is sugar, because that is an agricultural product pure and simple. The industry is growing; it is extending all over the country. It used to be said that it was only known down South, in Louisiana. But now we have it in the North, and in the Middle West, and in the extreme West.

This whole tariff agitation is presumably in the interest of the farmers and of the planters.

The fact that the House first fixed a tariff on sugar and the Senate has concurred that a tariff on sugar higher than the present rate should be levied, and that the pending motion is to concur demonstrates that it is recognized by the Congress that sugar is entitled to be protected. If you are going to give it protection, you should give it real, genuine protection, and not half-hearted protection. Two cents, or a raise from 1.76, is only slight protection. That is such a slight increase that it does not amount to a very great deal. Sugar is entitled to full protection the same as you have given to other agricultural products. You have provided for wheat and cotton and corn and all agricultural products. You should give ample protection to sugar.

It has been urged that the increase on sugar will hurt the breakfast table. There is no foundation for that suggestion. When the matter was considered last summer during the special session I demonstrated by statistics that even if you give them the proposed 2.40 on sugar, the increased cost to each family would only be 60 cents per year. The statistics and facts demonstrate that. If you accept the proposition proposed by the chairman of the committee, the gentleman from Oregon, of 2.20, that is only one-half of the increase provided in the House bill, and therefore the increased cost to each family under the rate now proposed will only be 30 cents per year. It will not hurt the family at all and it will give protection to this agricultural product that is increasing all over the country.

We should encourage the raising of sugar products, whether it be cane or beets, because it gives employment to a number of people and encourages American industry, especially agriculture.

We should rely upon our own country for the products which we consume. In the present situation we do not supply the country with sugar. We have to import a large quantity of sugar. If you will encourage the industry, not only will it increase the use of farm lands and put them into cultivation but it will necessitate a greater number of sugar mills, thus giving employment to a large number of laborers. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Louisiana has expired.

Mr. O'CONNOR of Louisiana. Mr. Speaker, I yield to myself the balance of the time allotted to me.

Mr. Chairman, ladies and gentlemen of the House, not a stalk of cane is grown in the district that I have the honor to represent. The people of that district live largely in about one-half the city of New Orleans. The balance of the district is made up of two parishes, which correspond to your counties, one the parish of St. Bernard and the other the parish of Plaquemines. At one time those parishes were given over to sugar culture. To-day it is more profitable to breed muskrats and mink. That is a growing industry. It is growing, and is more profitable than sugar would be on account of the very low and poor protection given sugar by the Federal Government. In other words, I am standing before you as an American who would ask you to give protection to sugar if he never saw a stalk of cane in his State. [Applause.] The sugar area of Louisiana is probably one of the most romantic sections of the United States of America. Anybody who wants to see America at its best should journey down there and, during the cane-cutting season, witness how people can live in amity and in accord. But I have not much time, and I will have to journey on as rapidly as possible, leaving to your imagination the story I have not the time to tell.

Let me tell you what first attracted my attention to the needs of our country from the standpoint of protection for sugar. During the war 16 vessels went down off New York, torpedoed by a submarine. We gave it out to the world that those vessels were empty. Toward the close of the war we acknowledged that they were loaded to the guards with sugar.

Do you believe that that day may not come again when we will be at grips with some nation across either one of the oceans?

Do you realize that we must make the United States of America a self-sustaining country to the fullest of our power? Is it not incumbent upon every American in peace time as in war times to make his country a little better off for his presence in it than if he had never stepped upon the stage of life? You owe it to yourselves and to the generations which will follow to keep sugar a continental product, and not to transfer it to alien lands and alien people. Give the work to Americans rather than to transfer it to men that are living under despotic agricultural conditions and men who are almost serfs of the land. I speak of them more in sorrow than in anger. But if you are for America, vote for the motion of the chairman of the committee [Mr. HAWLEY], vote for the American workman, work for the building up of a great industry that will make us a self-sustaining independent people rather than a people that will have to look across the waters for that which we need daily upon our tables and is essential to the physical welfare of Americans in youth and in old age. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Louisiana [Mr. O'CONNOR] has expired.

Mr. HAWLEY. I yield two minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, Members of the House, I too, want to appeal to the friends of the farmers, the same as the gentleman from Indiana has done, not to go too far in this tariff. You have here 500 pages of tariff schedules and increased rates. There is no necessity or justification for the rate proposed by the House on sugar. I submit to the chairman of the committee that this country is self-sustaining in its production of sugar, with our unlimited supply from Porto Rico, Hawaii, and the Philippines. It is not necessary to produce a pound of sugar in continental United States. We can not destroy Cuba economically after having given her a new birth and political independence. This increased duty on sugar is simply the result of a contagious epidemic to get a prohibitory tariff on anything that you have the votes for, or need, to trade for other unconscionable increases regardless of results. Again, gentlemen, I want to remind the House that we can not expect to export unless we do some importing. We can not expect other countries to continue buying from us unless they can do some selling of their goods to us.

Actual statistics of the earnings of the well-managed companies producing beet sugar in this country have been submitted and are in the RECORD. The beet companies that are well managed are making money. There has been considerable discussion about it and the large earnings and profits have not and can not be contradicted. The beet-sugar growers are making money. They are anything but model employers, but I will not go into that now. As I said, the well managed and administered beet-sugar companies in the country are making money.

Mr. COLTON. Only one of them.

Mr. LAGUARDIA. Mr. Speaker, your own figures bear me out. It surely is a new theory in protective tariff to provide duties for poorly financed, over financed, and badly managed industries. We can not subsidize those which are improperly managed, and, while an appeal may be made here for home industries, I appeal for the American children and the American women. The American Congress is too big to take a stick of candy from the American children. [Applause.] We are more fortunately situated in regard to our supply of sugar than any country in the world. First, we have an abundant supply from our own insular Territories, Porto Rico and Hawaii and then from the Philippines. In addition to that a reserve supply, right at our door from Cuba, which next to one of our own States or Territory is closer to us than any other foreign country in the world. There is now a tariff on sugar; it is sufficient. If we are to increase the tariff on sugar it is only to provide an unnecessary subsidy to a few beet-sugar factories at the expense of millions of dollars to the American people, including the farmers, if you please. I remind my colleagues from farm districts right now that they will soon hear from their farmer constituents if the tariff on sugar is increased. It is one of the first which will be felt by the consumers. Again, I say we must not cause the financial ruin of Cuba. We owe Cuba a duty. What good is it if the American people who sacrificed their sons and spent millions to give Cuba her political freedom if 32 years later we cause her economic ruin? The consumers simply can not bear this additional burden. I am against any increase on sugar.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. LAGUARDIA] has expired.

Mr. HAWLEY. Mr. Speaker, I yield three minutes to the gentleman from Michigan [Mr. WOODRUFF].

Mr. WOODRUFF. Mr. Speaker, ladies, and gentlemen, reference has been made by the gentleman from Georgia [Mr. CRISP] to a certain investigation and report that was made on sugar by the Tariff Commission, the report recommending the reduction of the present tariff on this commodity. The gentleman from Georgia reflected somewhat upon the former President of the United States because he did not quickly approve the recommendation for lowering the tariff. Subsequent events have fully justified the refusal of President Coolidge. The gentleman from New York [Mr. LA GUARDIA] has made certain statements which, in my opinion, are not justified by the facts. He stated, among other things, that all well-managed sugar-beet concerns in the country are now on a prosperous basis, but I think he will find, upon investigation, that there is only one sugar-beet company in the country to-day that can pay dividends in the future unless the recommendation of the gentleman from Oregon [Mr. HAWLEY] is finally written into law. The company I refer to is the Great Western Sugar Co., which for the past four years has, according to the best information obtainable, paid but 4 per cent on the investment. Undoubtedly this company can continue to exist. But, Mr. Speaker, this does not by any means indicate that is because it is the only well-managed beet-sugar company in the country. The reason why this company shows a profit while all others show a loss is due to two things. First, because it has the protection of freight rates, and sugar from other sections can not be brought into competition with its product. Second, this company is in a position de luxe agriculturally. Practically every acre of its beets are raised on irrigated land. Sunshine is with them nearly every day of the crop year. When water is needed, the farmer goes to the irrigation ditch and turns it on. The soil is exceedingly rich, and as a result the beet grower of that section does not know the meaning of a crop failure.

Conditions in Michigan and other beet-growing sections are very different. While our soils are rich, we can not turn on sunshine or water at will. We can not, in times of excessive rainfall, turn off the water when the crops have had enough. It must be plain to everyone that these things which handicap, to some small extent, the beet raiser and thereby cause an increase in the cost of production, can not be charged to mismanagement. Further, it is hardly fair to charge practically all of the excellent business men who have invested their money in these sugar companies with mismanagement because a combination of circumstances, over which they have no control, have made the business unprofitable.

It will surprise my friend from New York [Mr. LA GUARDIA] to know that in Michigan, Indiana, and Ohio there have been in the past three months nine different sugar-beet companies go into the hands of receivers. Naturally, the mind inquires, "Why?"

I propose, in the short time at my disposal, to inform the House. How many of you know that to-day the American people are buying their sugar for 1 cent a pound less than they paid, as an average price, over the period of 10 years preceding the World War? How many Members of this House know that prior to the war the sugar-beet factories, to whom the farmer must of necessity sell his beets, paid only from 15 cents to 35 cents per hour for the labor they employed? How many of you know that to-day those same factories are compelled to pay from 35 cents to 75 cents per hour? How many Members of this House know that prior to the war the sugar-beet factories bought from the farmers of the country their sugar beets for approximately \$2 per ton less than they now have to pay? It does not require a mathematical mind to realize the situation in which the domestic sugar companies find themselves. Without the increase of tariff asked for it is utterly impossible for those companies to continue to operate.

During the debates on this question it has been shown time and again that the United States exacts the lowest tariff on sugar of any nation in the world. It has been shown repeatedly that the people of this country buy their sugar at a lower cost than the people of any other country. It is known that no necessity of life is sold to the consumer at so narrow a margin. The average merchant who handles sugar sells it at or near cost, so it reaches the ultimate consumer at very little above actual cost of production plus the freight charges. I have stated that while the cost of production has greatly increased since the war, the price paid to the farmer and the sugar companies has decreased.

There are Members of this body who are willfully closing their eyes to facts in connection with this subject which should cause them to unhesitatingly vote for the increase asked for. There is not a Member present who does not know that in 1920, due to a world shortage in sugar, when the domestic sugar was off the market in May, the Cubans raised the price of their product until the consumers of this country were compelled to pay as

high as 35 cents per pound for granulated sugar, and that the average price to the consumer throughout that entire year was 15½ cents, 10 cents per pound more than we are compelled to pay at this time. Everyone should know from this experience that the only protection the American people, including the children mentioned by the gentleman from New York, have from the greed and the price gouging of the Cuban and the Wall Street-Cuban producer is the domestic cane and beet sugar industries which are on trial for their very lives here to-day.

If these industries are here crucified, they will be so crucified by men who profess to believe in proper protection to American industry. The deciding votes will be cast by men and women who were candidates for election upon a platform pledging such protection. Your constituents have the right to expect; yes, they have a right to demand of you the protection given to them by a successful domestic sugar industry, which the rates recommended by the gentleman from Oregon [Mr. HAWLEY] will insure.

It must not be forgotten that the question involved is whether the tariff shall be 2 or 2.2 cents per pound. The parliamentary situation is such that the rate can not be made lower than 2 cents. It can not be made higher than 2.2 cents. This does not seem to be a great difference, and yet it is great enough to determine whether the domestic-sugar industry is to survive or perish. This difference means to the sugar companies 20 cents per bag of 100 pounds. On a production of 500,000 or 1,000,000 bags per year the higher rate spells success, the lower rate failure. What does it mean to the consumer? The average family buys not to exceed 200 pounds of refined sugar per year. Many of them buy much less than this. The additional cost per family if the higher rate prevails will be but 40 cents per year, and I am sure the American housewife will be glad enough to pay this modest sum and in this way write for herself an insurance policy against a return of the conditions of 1920.

The argument that the sugar used in the manufacture of carbonated beverages, candy, and so forth, is passed on to the consumer is idle chatter. This theory was exploded long ago. Every well-informed person knows that the additional tariff on sugar used for these purposes will be absorbed by the manufacturer, and that the only additional cost to the consumer will be the additional tariff on that sugar carried home and used for domestic purposes. I have just stated what this cost will be. Surely not a serious matter for a people as favored in other ways as ours.

While I have not the time to go fully into the value to agriculture involved in this measure, I will state that 97,000 farmers in eight States produce sugarcane. There are 100,000 farmers in 19 States who produce sugar beets. In order to have a market for this cane and these beets it is necessary that there be refiners to whom the farmers can sell. The farmers can not continue to grow beets or cane without a prosperous refining industry. The refiners can not continue to do business unless in a condition to pay the farmer a price for his product which will net him a profit. The success of one is dependent upon the success of the other.

This brings me to the question of whether the Michigan farmer participates in the benefits of a prosperous sugar industry. For the past three years the farmers have been guaranteed a minimum of \$7 per ton for their beets. This year the sugar companies, depending upon the promises of the Republican platform and the Republican majorities in both the House and the Senate to give them the necessary tariff protection, have increased the minimum price to \$7.75 per ton. The contracts always provide that the farmer can exercise the right of taking the guaranteed minimum price or one-half the profits from the sale of the sugar in the beets he produces. That the farmer does participate in the benefits from an increase in the price of sugar is shown by the following table:

Average farm price of beets per ton  
[From reports of Department of Agriculture]  
MICHIGAN

	Per ton
1911-12	\$5.74
1912-13	5.69
1913-14	5.93
1914-15	5.23
1915-16	5.91
1916-17	6.14
1917-18	8.04
1918-19	10.08
1919-20	12.52
1920-21	10.03
1921-22	6.10
1922-23	7.22
1923-24	9.38
1924-25	8.85
1925-26	7.05
1926-27	7.00
1927-28	7.16
1928-29	7.22



The facts as disclosed by the Department of Agriculture should put an end to the argument that all tariff benefits are absorbed by the refiners and that the increase asked for will not help the farmer.

Mr. Speaker, it has been clearly shown that the domestic sugar industry must have not less than the 2.2 tariff recommended by the conferees if it is to survive. It has been shown that the American housewives must have the protection of a prosperous and expanding domestic industry if they are to be preserved from a repetition of their expensive experience of 1920, and I hope that when the vote is cast the confidence of our beet and cane growing farmers, our factory owners, and our housewives in the courage and fairness of our Republican Members of this House will not have been misplaced. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. HAWLEY. Mr. Speaker, I yield three minutes to the gentleman from New York [Mr. CROWTHER]. [Applause.]

Mr. CROWTHER. Mr. Speaker, ladies and gentlemen of the House, of course it is unnecessary for me to state that I am for a duty on sugar and would prefer the House rate of 2.40. [Applause.] I want to say to the gentleman from New York [Mr. LAGUARDIA], my genial colleague, that owing to the protective-tariff policy which prevails in this country the children of the folks who labor in the United States are not limited to one stick of candy; they can get their full ration of sugar, and they get it cheaper than it can be procured anywhere in the world.

Mr. LAGUARDIA. I do not want to curtail their supply.

Mr. CROWTHER. And I do not want to curtail their supply, and we will not do so by voting this duty of 2.20. We hear gentlemen about the House say, "Watch the price go up as soon as this increased duty is put on sugar," yet the price of sugar has gradually gone down ever since the duty was put on in 1922. [Applause.] You can buy 10 pounds of sugar to-day for 49 cents.

The production of sugar is an important thing in a great many sections of this country. The beet industry should be encouraged from an agricultural point of view, as has been thoroughly explained to you by the gentleman from Indiana [Mr. PURNELL]. It has a value as a cure for sick soil; it has a value in using soil on which wheat and other grains have heretofore been grown, and of which we have a surplus; it has a value to the refiners of this country.

We have 3 great refineries in New York, 1 on the New Jersey shore, 3 in Philadelphia, 1 in San Francisco, and 1 or more in New Orleans. We have hundreds of millions of dollars invested in sugar refineries; there are 75,000 people directly employed in those refineries, with a pay roll of \$80,000,000 a year. Therefore it is necessary that we should have a tariff rate which will take care of the refineries so that refined sugar shall not come into the country at a lower rate than raw sugar.

They take their message to the housewives of the country and tell them how much more it is going to cost if an additional rate is put on sugar. However, the average American housewife, whether she be of the Democratic or Republican faith, has more good common sense than all the free trade propagandists in the country. [Applause.] And let me tell you gentlemen on the Democratic side that the American housewife is more concerned about her husband having a steady job than she is regarding the 60 cents a year that you claim this duty will add to her budget expense. I urge you to support the chairman by voting for a reasonable duty on sugar. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. HAWLEY. Mr. Speaker, I yield three minutes to the gentleman from Wisconsin [Mr. SCHAFER]. [Applause.]

Mr. SCHAFER of Wisconsin. Mr. Speaker, ladies and gentlemen of the House, I agree with almost everything that our able colleague from Indiana [Mr. PURNELL] has said with reference to the farm situation. I have the honor to represent a city district, but I am going to vote for the amendment on the sugar schedule offered by the chairman of the Ways and Means Committee [Mr. HAWLEY] because I realize that the problems of the laborers in city districts and the problems of the farmers are closely interwoven. [Applause.] I believe in protecting the American farmer's products from unfair competition of cheaply produced foreign products. I am in favor of having the American farmer prosperous rather than to have the sugar planters in Cuba, who employ cheap peon labor, prosperous at the expense of the American farmer. [Applause.]

There recently came to the office of each Member of the House a statement issued by the Hershey Corporation in opposition to this sugar tariff. This corporation admits it owns a refinery in Cuba, and urges that the proposed increase in the sugar tariff rates be not adopted. This Hershey Corporation pleads in the name of cheap candy for the children and the rest of the

American people. The candy products of the Hershey Corporation are now protected with a 40 per cent ad valorem tariff. If we would remove that tariff, of course, we would be able to bring in foreign candy to compete with their product and furnish the American people with such candy at prices much lower than paid for the Hershey Co. product. Before the Hershey Co. protests against a protective tariff on sugar in the interest of fair play it should advocate a reduction of the tariff on its competing manufacture of products.

An article appears in the Milwaukee Journal, April 28, 1930, the headline of which states: "Hershey Co. earns \$2.65 in quarter." Then the article goes on to say:

Net profits of the Hershey Chocolate Co. for the first quarter of 1930 were the largest for any quarter in the history of the company.

Further on it indicates that the sales for the quarter ending March 31, 1930, totaled \$11,450,059 and that the operating profits totaled \$2,761,299. It further indicates that during said quarter the company purchased 4,443 shares of preferred stock, reducing the total outstanding to \$8,248,200.

The consolidated balance sheet showed current assets of \$16,243,964 and current liabilities of \$2,875,887. Surplus at organization totaled \$2,389,282 and earned surplus on March 31, 1930, was \$10,680,282.

It is significant that the main opposition to the sugar tariff has come from those who, in all conscience, have none but selfish interests to satisfy. I will now refer to the National City Bank of New York and to the Coca-Cola Co. of Atlanta. Both these opponents have made their absurd protests in the name of the consumer, but it requires no great amount of argument to show that they are particularly interested in drawing their own chestnuts from the fire.

The attitude of the National City Bank is an extremely arrogant one, as befits an institution with \$2,000,000,000 of capital. It has tens of millions invested in Cuban sugar properties and its only purpose in fighting the tariff is to kill off the domestic industry, or to maintain it in a languishing condition, so that its own opportunities in the United States may be widened.

It might very well be contended that the motives which led the National City to make its investments in Cuba are open to question. Its millions were sent to the island at a time when sugar was selling at an exorbitant level and housewives of the Nation were forced to pay five or six times as much for it as they are paying at this moment. There can be no doubt that the bank believed that the high prices would be continued over a period of years and that it anticipated tremendous returns from the exploitation of cheap and tropical labor. Eventually, and through no fault of Cuba or the bank, sugar prices returned to normal, and the National City was left with a bundle of almost worthless collateral. As a consequence, it was forced to take over and operate many of the Cuban sugar properties. Then came a second piece of bad judgment. The bank decided that the only way out of the financial mire was to increase the Cuban sugar production.

And so the output was stimulated—stimulated beyond the limits which sanity should have dictated. The result is that Cuba has flooded the markets of the world with sugar, and that prices have been depressed to a point where it is impossible for domestic companies to continue. Briefly, the choice of the House lies between the sugar farmers of the United States and the capitalists who have invested their money in a tropical industry in a foreign nation.

The position of the Coca-Cola Co., and the fight which it has carried on is even less defensible. They object to a tariff which would increase the cost of the sugar in a bottle of Coca-Cola or pop by a small fraction of a mill, because, we are given to understand, it would be a burden on the consumer. Everyone knows that pop and Coca-Cola is made of sugar and water, some flavoring, and coloring. When the health-giving qualities of sugar have been vitiated by the mixture of these nonnutritious elements, pop becomes protected under our tariff at the rate of 15 cents a case. That is, the pop bottlers object to a duty on sugar when it is in crystal form, but no one in the House has heard it suggested that the duty on sugar, when it is dissolved and placed into a bottle, should be eliminated. And that duty-in-the-bottle amounts to 12 cents a pound.

The plain truth of the matter is that the Coca-Cola Co. is entirely too ambitious. The headquarters of the company are in Georgia, and it has a political influence in that State which none of us should like to see duplicated in the national scheme of affairs. In Georgia, this great corporation has watched the enactment of a law in the legislature which forbids the sale of any beverage which "foams like beer." Near beer is contraband. Only one step seems to be lacking. To be consistent, the Legislature of Georgia should enact a law making it illegal

to drink anything but Coca-Cola. That, too, one imagines, might be explained as something noble accomplished in the interests of the consumer by the same gentlemen who are now trying to convince us that the duty on sugar is an iniquitous proposal. Certainly the explanation of the one could be no more fantastic than the explanation of the other.

Sworn statements have been presented to Congress which demonstrate and prove that 18 of the 19 sugar-beet companies in the United States are operating at a loss. What is the condition among the Coca-Cola magnates? They are making money hand over fist, and since they are a self-righteous crowd, it may be supposed that they look upon their profits as a divine reward for making it illegal to drink near beer as well as real beer. I read from the Wall Street Journal of February 27, as follows:

Increase in the Coca-Cola dividend to \$6 from \$4 a share a year was forecast in several quarters in Wall Street. Action was justified by the persistent growth of the company. Since 1922 sales have increased approximately 86 per cent, and in the same period there was a gain in net income of more than 103 per cent, indicating economies practiced in the distribution of its product.

The Wall Street guessers were right. The Coca-Cola dividend is now \$6 a share, and the stock which sold for \$148 less than three months ago is now quoted around \$180. Prosperity certainly descended in full force on the savior of the consumers.

What have the actual profits of Coca-Cola been? I quote from a recent issue of Printers' Ink:

Net profits of the Coca-Cola Co., Atlanta, for 1929 amounted to \$12,758,276, after all charges, against \$10,189,120 for the previous year. Sales for the year amounted to \$39,260,813, against sales of \$34,745,758 for 1928, an increase of 12.9 per cent.

Sugar farmers need the protection of an increased duty. It is only justice that the House extend to them the same degree of solicitude that it has extended to every other agricultural enterprise.

You must choose between these selfish, prosperous American interests and the cheap foreign labor and foreign interests on one side and the American labor, farmer, and sugar industry on the other.

I shall take my stand on the American side and vote for the amendment submitted by the chairman of the Ways Committee [Mr. HAWLEY]. [Applause.]

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. CRISP. Mr. Speaker, I desire to use one minute of my time.

When it comes to a high protectionist, the gentleman from New York [Mr. CROWTHER] is the noblest Roman of them all, and I have a great respect for the gentleman from New York. He is honest, sincere, consistent, and is for protection for all parts of the country. Whenever a tariff is proposed I know the attitude of the gentleman from New York.

The gentleman from New York has frankly said that if he had his way he would build a tariff wall so high that nothing could get in unless a fellow broke his neck getting over the wall. The Hawley-Smoot bill should be a joy and delight to his soul. [Laughter and applause.]

Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Speaker and gentlemen, in the last campaign the Republicans had Hoover's picture in every kitchen, I suppose, with his eye on the sugar bowl.

Now, what a country we have to-day as the result of the surrender of governmental functions by the Republicans to the lobby. Invisible government has brought about invisible prosperity. We expected a business government and we got a monkey-business government. Irresolution prevails in Washington and unemployment fills the land. Leadership is lacking and so are good times. The Republican idea of leadership is to steal candy from the children. The Republicans have depressed the banks, the stock market, and the farm, and now they are flocking like so many vultures over the kitchen. [Applause.]

Mr. CRISP. Mr. Speaker, I yield the remainder of my time to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Speaker, ladies and gentlemen of the House, the sugar schedule before us is the most controverted of all items in the bill. The House rate is \$2.40 per 100 pounds on Cuban preferential duties; the House conferees' proposal is now \$2.20; the Senate amendment is \$2, and existing law is \$1.76. I am in favor of existing law, but we are limited by the House rates and Senate rates, so I am urging you to accept the Senate rate as proposed by the Crisp motion. That means the \$2 rate per 100 pounds.

Let me say that in my State we have four sugar mills entitled to any legitimate aid and we also have 3,000,000 consumers. In my own district we have a sugar mill that has been closed for some time and we also have over 200,000 consumers of sugar in that district. The consumers who pay the bills will be heard from later.

I can well believe that ordinarily the only chance to protect consumers who are most interested must come from holding the price of sugar as low as we can. We have not been permitted before to vote in the House on this sugar item.

The sugar mill in my district is closed. The sugar mills in the States of Michigan and Minnesota are closed, and they are to stay closed permanently if we strive to keep them going with a high tariff. Every effort to raise the tariff, however high, only serves to stimulate production with free island imports from the Philippines, Hawaii, and Porto Rico, with which we can not compete.

The result you are trying to bring about by a tariff will fail, because you can only save the domestic sugar industry by a direct bounty. That, it is estimated, can be secured by a bounty of about \$30,000,000 annually, whereas the public is now paying over eight times that amount under the existing tariff law and without results. I have discussed the sugar situation in this country several times in the House since this bill has been under consideration and have placed facts before you that are sustained by the best tariff experts. So I do not care to take your time now with useless repetition. We have a situation with respect to our domestic sugar industry that is different from any other product or any other item in the bill. Keep in mind that we use annually 6,000,000 tons of sugar, or 12,000,000,000 pounds, and the average per capita consumption of 120,000,000 people is slightly over 100 pounds every year.

#### INCREASING FREE SUGAR IMPORTS CAUSE DOMESTIC MILLS THEIR DISTRESS

The Philippines have increased their production of sugar 140 per cent within the last six years, and they have exported practically all that sugar to the United States free of duty. In the last 10 years Philippine free sugar has increased 600 per cent. In the last 20 years the increase in our domestic production of beet sugar has not been important, and in the last 6 years has remained stationary. To be exact, that increase has been about 2 per cent. In six years the Louisiana cane-sugar production, due to cane disease, has decreased from 260,000 tons in 1922 to 145,000 tons in 1928, a loss of nearly one-half, and yet that cane sugar ties Louisiana to this entire tariff bill with fetters of steel. In the Philippines during the same period sugar-free imports to us have increased, as I have said, 140 per cent to 637,000 tons, or nearly 450 per cent more than the entire Louisiana crop. Remember, Philippine cane sugar comes in free and is certain to displace our cane because of better climatic conditions. Porto Rico sugar imports have increased 80 per cent in the last six years and now reach over 620,000 tons. Hawaiian Islands cane-sugar imports in six years increased about 80 per cent and now reach 830,000 tons. While our beet-sugar production has remained stationary and Louisiana cane has lost nearly 50 per cent under existing high-tariff rates, our island possessions have more than doubled their free-sugar imports, all within six years. These free imports already reach double our combined beet sugar and Louisiana cane domestic sugar production. How can you expect States like Michigan, Minnesota, Wisconsin, or any of the Northern States, by a tariff, however high, to compete with free sugar from these islands? These islands are rapidly driving our own mills into bankruptcy. The cause is free-sugar imports and not tariff rates.

The situation to-day is that after a half century or more we produce only one-sixth of the sugar we consume, and any higher tariff rates will raise the price to consumers on the entire 12,000,000,000 pounds we use annually. Stated differently, our entire domestic sugar production in a half century has reached only a little over 1,000,000 tons out of the 6,000,000 tons we use annually. This free island sugar in recent years has gained so rapidly it now furnishes over 2,000,000 tons and has doubled its imports in six years. Only a little over six years ago the beet-sugar mills and cane mills in this country were producing about the same amount of sugar as the free island imports, but the production and imports from these islands has increased 100 per cent, while the domestic production within that brief time has remained stationary. These islands are going to drive out domestic sugar unless you put that business upon a bounty basis. No tariff will be of aid, but on the contrary it stimulates free island sugar importations that compels American consumers to pay under present tariff laws about \$250,000,000 annually, of which only one-sixth reaches domestic producers and two-sixths goes to the islands that send us free sugar. I will submit official tables that are unanswerable.



## WHY THE TARIFF CAN NOT PROTECT AGAINST FREE IMPORTS

Unless the sugar tariff increases the price to the consumer it is of no benefit to domestic mills. In other words, the intention and purpose of this tariff increase is simply to put up the price of sugar, and this affects every consumer in the land. I submit that nowhere in the entire tariff bill will be found a tariff rate designed to protect an industry, not against foreign competition but to give increased dividends to stockholders, and where the consumer pays the bill, with no permanent benefit to the industry, to labor, or the consumer. The proposition is unconscionable.

A well-known economist made the statement several days ago that the estimated tariff cost of sugar to the people of the United States under existing law is about \$250,000,000 annually. That is based on the increased cost of sugar to the consumer due to the tariff. If this amendment for a 2.20 rate is adopted over the present 1.76 rate it will mean an increase in our sugar bill of over \$60,000,000. That amounts to \$300,000,000 annually in round numbers, and is a direct sales tax levied on the consumers of the country to aid a few weak sugar mills, because over one-half of our domestic sugar is produced by the Great Western Co., that makes a profit of over 40 per cent annually.

How does this proposed \$300,000,000 sugar-tariff cost annually affect your district and mine, because this is a simple economic proposition for us to consider. If this statistician is right in his estimates, \$500,000 is about the amount the average district pays under existing tariff law to help a few weak sugar factories. A 2.20 rate will increase the amount of sugar costs \$100,000 more to the consumers of every one of these districts. You can figure it out for yourselves. That is about \$600,000, due to the sugar tariff, on the average, for every congressional district. I advise any Member who votes for this high increased sugar tariff to remember he must answer to his constituents, every one of whom is a consumer.

I talked with a gentleman the other day from the Philippines, who knows the situation, and he predicted free sugar from the islands alone would exceed our total domestic production within two or three years, and this does not include either Porto Rico or the Hawaiian Islands, that are in the same game. Here is my friend, the gentleman from Colorado, Mr. TIMBERLAKE, chairman of the sugar schedule, sitting directly before me. He introduced a resolution to restrict Philippine sugar imports, and stated that the basis for it was a verified report that American capitalists are going to put \$20,000,000 in the Philippines upon the passage of this bill to increase their production of sugar, and will send it over here free of duty. He was right about it. If greater profits are assured by an increased tariff, I predict it will be a far greater investment than that amount.

## NO LIMIT TO FREE ISLAND PRODUCTION

A gentleman from the Philippines said the other day that they can produce 5,000,000 tons of sugar in the Philippines within a very few years, and will be able to compete with the world because it comes in free, and they will do it just as rapidly as they can put in sugar mills. This proposed increase in tariff rates will stimulate their production. The Hawaiian Islands are doing the same thing now, and so is Porto Rico. I have been through the mills in Porto Rico, one at Guanica is among the largest in the world. I have been through sugar mills in Louisiana, small weak mills, comparatively, and I know what they are doing down there, just as I have visited sugar mills in the Philippines and in the Hawaiian Islands. The largest in the world, I believe, is on the Island of Maui, which I went through several years ago.

It is the chief industry of all these islands, and they are able to drive out our mills because they grow ratoon cane, crops that do not have to be reseeded every year. Their climate is uniform and ideal for sugarcane. We can not compete with their sugar or banana or pineapple production.

I am interested in sugar as it affects both the consumers and sugar industry of our country to-day, and the consumer in my district is the one I am particularly interested in, for he has to pay the bills without any adequate return to the mills he would help maintain, but I want, also, to build up the industry in the only possible way that will maintain it, and that is by a direct bounty. It is the only system to reach the situation and afford any protection. The gentleman from Iowa [Mr. RAMSEYER], who is a student of this subject, has said the same thing to you in the House. I have talked with some of the best tariff experts in the United States, and they have said the same. Beet-sugar manufacturers have agreed with me as to the real remedy, but fear they can not get Congress to pass a sugar bounty law. Not one student of the subject have I met who has claimed that a tariff, however high, will be of permanent benefit because of

the islands that float our flag and ship their sugar to us free of duty.

A 2-cent bounty, it has been estimated, if conditioned against child labor, would enable the mills to meet competition, pay reasonable wages for beet-sugar field work, and give fair returns on the investment, enabling our mills to compete with Cuba and all the free-sugar islands. If any mill can not succeed with that aid it is in the position of a Wisconsin or Michigan banana raiser, and should change its business. Efficient mills in Colorado and other States can prosper at that figure, and it is estimated that \$30,000,000, as stated, would pay the bounty annually. As we collect many times that amount from Cuba annually in sugar duties, we could afford to reduce the tariff duty to \$1.23 per hundred duty, the rate found by the Tariff Commission to be a difference in cost of production. Cuban collections would then pay the domestic-sugar bounty with a wide margin for the Public Treasury.

## HOW SUGAR AFFECTS THE FARMER

Dr. Philip Wright, of the Institute of Economics, former expert of the United States Tariff Commission, has stated that for every 5 farmers who will be benefited by an increased sugar tariff 995 farmers will be burdened by the increased rate. If so, it means that to benefit these 5 beet growers using Mexican labor, not only 995 other farmers will be burdened but four times that number of other families, all consumers, will also pay the bill. Not one acre in a thousand now cultivated goes to sugar beets, whereas 995 farmers' families will pay the increased sugar price to maintain the 5 families who raise sugar beets by employing Mexican women and children to do the work.

## BEET-SUGAR LABOR CONDITIONS

I understood Chairman HAWLEY to say he was in favor of sugar with free salt and free pepper—I do not know that he used the word free, but that is what he could well have said. Free salt and free pepper we do not manufacture or grow no more than tea or coffee. Why should we hopelessly attempt, by a high tariff, to manufacture sugar in competition with free island sugar? Talk about labor and the kind of labor employed to grow sugar beets. You get that labor from Mexico. The House to-day was asked to protect silver from the cheap labor of Mexico, and yet the beet-sugar mills are bringing labor in from Mexico, for the Mexican women and children do most of the work in our sugar-beet fields. I have put page after page in the RECORD, statements from Federal and State official sources, showing the kind of labor and how it worked. Women and children, that is the kind of labor Congress is called upon to protect for the sugar-beet fields.

In Colorado there is one organization, the Great Western Sugar Co., that made an investment of \$15,000,000 in sugar. It has taken out profits on that investment in 25 years of \$156,000,000—or 43 per cent annually. This one company has done it because of efficient management, location, soil, and cheap Mexican labor, with local markets. But what is the situation with my friends in Michigan, including my own district where sugar mills fail to succeed?

The free island ratoon sugar crop drives our mills out of business. Only by a direct bounty can the domestic beet sugar be maintained. The present annual tariff cost of \$250,000,000 on sugar, with the proposed 44 cents per hundred increase of \$60,000,000, is ten times the cost of a bounty and is hopelessly ineffective. Later I shall submit some figures as to refiners' profits under existing law.

My friends, it is immaterial to me, personally, what is done here to-day, excepting as a Member responsible for his vote, but I want to say that I voted against the heavy cement duty yesterday, against taking cement from the free list for that notorious monopoly. I do not believe the tax on cement can be justified and have so stated in prior speeches. I say to you the sugar proposition will reach the American people more quickly than any other item in this bill, and it is one of the most indefensible. You can talk about a tariff on anything else, but increases in this bill on sugar, clothing, and shoes reach the people quicker than all else because a direct sales tax, and the worst of all items is sugar. Remember, after 20 years' nursing we only produce one-sixth of what is consumed and the increased tariff price will be paid on all we consume. Are you going to raise the price to the consumer with full knowledge that it will do no permanent good? I ask you not to do so. [Applause.]

## TARIFF BURDENS AND BENEFITS

Mr. Speaker, I discussed in the House on March 24 excessive and added costs placed upon agricultural and other consumers under the proposed tariff bill compared with benefits likely to accrue under the bill. Statements and tables presented at that time need not be repeated.

I have the honor to represent in part an agricultural State, a great dairy State, and also a large manufacturing State. Some industries of my State may be aided by tariff rates contained in the 1930 bill, but many increased burdens are laid on agriculture and on every other industry, as well as on all the State's consumers, by a tariff bill which, in my judgment, must be fully and fairly considered when determining burdens or benefits to be received.

Members of Congress represent more than those in their own State, for 120,000,000 consumers in the United States are equally dependent upon our action here. It is not my purpose to analyze the bill, but to point out several objectionable items that go to make up what has been alleged by tariff students to be a billion dollar annual increased burden to the American consumer.

It has been loosely stated this is an administration bill. I do not believe the President would attempt to defend the bill as at present drawn, although he may not veto it. I predict he will not waste adjectives in its praise.

I have already briefly discussed sugar because we are about to vote upon that schedule. I may refer to it later to disclose other factors that make our domestic sugar production hopeless if we attempt longer using the tariff oxygen treatment. The disease of free island sugar is the cause of financial illness for the domestic industry, but I desire to present other features of the tariff bill that concern the House at this time.

Members of the House were not permitted to vote on over a thousand schedules reported by the committee until either the House or Senate in conference placed a stop-light rate below which the House can not go. Chairman HAWLEY and the committee are among the very able men of the House. Without criticizing the committee or any action whereby any eight members of the majority party on that committee could thus determine tariff duties, let us see what has occurred when various blocs asserted their right to a vote on several items out of a thousand or more, many of which were equally important to those who pay the bills.

#### WHEN THE HOUSE DID VOTE

Five items have been returned to us by the conferees under an agreement to permit the House to vote. These were silver, cement, lumber, shingles, and sugar. We have voted on four of these items and are about to vote on sugar. The motion for a tariff on silver was knocked out overwhelmingly by a viva voce vote. Next, cement was given the lowest Senate rate in preference to the House rate. If an original proposition, it would be returned to the free list.

Next, lumber and shingles received separate votes and were both rejected by the House, and now, although the conferees have lowered the House committee rate from \$2.40 per hundred pounds to \$2.20, I predict the rate will be placed at \$2, as it passed the Senate, and lower, if permitted by the parliamentary situation.

Is it not significant that when action was permitted the House radically differed from the House committee?

Scores of rates in the pending tariff bill are unpopular and believed to be unwarranted, from sugar to shoes and Portland cement to pig iron. They would be changed if the House did not tie its hands with the thongs of party regularity that cannot be remotely connected with the President's policy as expressed in his message to Congress.

I submit we have gone the limit in higher embargo rates in order to prevent any imports, thereby creating a domestic monopoly that will not fail to improve the opportunity by increasing prices in every case. A protective tariff, but not a prohibitive tariff is helpful to the country.

Again we have saddled heavy tariff rates to protect products that will never reach far beyond the stage of banana production, and among these items that have been cited by different speakers to the House are sugar, nuts, olive oil, and many others. This bill, more than any other in all tariff history, seeks to protect inefficient, poorly financed, poorly located, and otherwise weak industries by tariff rates, with a result that in doing so it raises the price of commodities, thereby giving to efficient industry unwarranted profits. Cutthroat competition or absorption of weaker institutions was never more keen and such matters will never be reached by tariff rates.

An argument by favored industries is that this tariff bill becomes an administration measure only after their inclusion in the bill at increased rates, irrespective of other provisions. Many Members on both sides of the aisle oppose the bill until some home industry is satisfied with its tariff rates, then the bill receives their support. Let me again express my appreciation for generous consideration extended by the distinguished chairman and members of the Ways and Means Committee. I highly

respect them, one and all, but in this discussion am presenting results and tariff methods that, to my mind, are far removed from the legitimate purpose of a protective tariff.

#### A BIPARTISAN TARIFF BILL

Welcoming with open arms our Democratic friends from Louisiana and Florida, who now support the bill from A to Z after its heavy boost in sugar rates, cement, and citrus fruits, the test of party regularity seemingly depends on acquiring increased tariff rates for local industries. Every Member soon learns that with sugar blocs, raw and refined; cement blocs, lumber and other blocs, any test of party regularity rests with the inclusion or exclusion of those items in the bill by the committee.

Let me say further that a man's political belief is no more connected with the pending tariff bill than is the hundred million dollar omnibus waterway pork barrel just passed by the House connected with the Federal Constitution. In both measures the bad may predominate over the good, and such legislation is not even distantly related to Lincoln's belief in a government of, by, and for the people when the rights of consumers are forgotten.

These bipartisan bills have ceased to retain any political or economic character when they represent combinations of sections and industries that are controlled by the greatest bloc of votes. I speak of this in an impersonal way, because both measures have become a congressional habit for which no individual or party is alone responsible.

Loyalty to congressional action, not always reciprocated, may bring President Hoover's signature without personal approval for a tariff bill so far removed from his expressed desires because of its raised items and manner of preparation. In a modest offer of services I sought to aid his election, as is known by Leader TILSON, but in over 20 years' public service, let me say, not one dollar for political support has ever been asked for or received by me from any company or organization, political or otherwise. My political views are not to be tested by this tariff bill.

Right to independent judgment is now and ever has been claimed, particularly on a subject solely economic and non-political. Let us briefly examine the bill as now reported and the circumstances that brought it forth.

#### EMBARGO TARIFF RATES PROHIBIT IMPORTS

When the 1922 Fordney bill was reported, I actively protested in the House against what then amounted to an embargo proposal on chemical rates. Members of Congress may remember the contest. The House then defeated any embargo. This pending bill embraces embargos on numerous items, on none of which separate votes were permitted in the House.

Embargo rates on items throughout the bill can be cited, none of which, as stated, were submitted to the House. Any proposed amendments at this late day compel acceptance of rates between and within limits now governing conferees and give no relief from rates that would never have been adopted if first submitted to the House. Among these I cite votes yesterday and to-day as indicating the judgment of the House.

President Hoover called Congress together in special session last year primarily to aid agriculture. His message so stated. Two measures were proposed, one a Federal Farm Board to aid cooperatives and the other limited proposed tariff increases to protect agricultural products.

#### FARM RELIEF

The Farm Board bill was passed without delay, but the limited tariff bill designed to aid agriculture has traveled the entire field of 16 tariff schedules for over a year, and now appears with over 1,000 changes from existing law reported by House and Senate committees, of which possibly not over 10 to 15 per cent relate to agriculture. Some of these latter rates, like a 42-cent duty per bushel on wheat, are ineffective and examples of tariff absurdity, because wheat tariff rates give no benefit to the American producer, whereas the House duty of \$2.40 per hundred on Cuban sugar, or nearly 100 per cent increase over rates recently found by a majority of the Tariff Commission to represent the difference in cost of production, if adopted, is a direct sales-tax burden placed on every consumer, including every farmer.

Of all objectionable governmental taxes, a sales tax on the necessities of life is the worst. Congress has ever refused to adopt a sales tax in time of peace, and yet a high tariff on sugar contained in this bill is a direct sales tax on an important necessity, because we import between 80 and 85 per cent of all the sugar we use. The only purpose of a high tariff on sugar is not to shut out foreign competition, but to raise the price of sugar. By that means alone can the domestic beet-sugar in-



dustry receive aid and make a greater profit. It is not distantly related to the usual argument of protection of infant industries against foreign imports. A sugar tariff is a farm burden far distant from farm relief.

Like an 8 cent per hundred or 32 cents per barrel duty in the House bill on cement, which has been taken from the free list, the cement and sugar burdens become immediately laid upon distressed agricultural consumers who were promised aid through tariff relief.

#### DOES AGRICULTURE GAIN OR LOSE BY THE BILL?

Experts will find it hard to explain how a correct balance sheet will disclose any real aid to agriculture, compared with increased cost burdens that affect every farmer and all other consumers in the land.

No complaint need be lodged against committees. The bill was prepared in the usual manner; and Congress, not the committees, is responsible for the method pursued that differs little from river and harbor omnibus procedure with similar results.

Farmers' families in the country include around 25,000,000 men, women, and children dependent on agriculture. It is a matter of concern requiring explanation when we learn that prices of grain here are below the prices in Canada and Liverpool and below pre-war prices, and that a 42-cent wheat tariff in this bill is without value unless aided by the debenture amendment, the only direct relief proposed, that is destined to defeat. I will discuss the debenture later. It would have given relief to grain farmers.

Few products of the farm have advanced in price compared with other industries, so that in this debate it has been asserted economists find a farmer's dollar will only be worth 82 cents compared with other industries. For sake of argument, if the farmer's dollar will only buy about 80 per cent of what it would under normal conditions, what is he to receive by way of return when this House bill proposes an increase of about 36 per cent in the sugar tariff; of 20 per cent increase in the tariff cost of shoes; of around 40 per cent increase in the cost of innumerable sundries running from gloves to low-priced jewelry, that members of the family may buy; of general increased costs in clothing and hats? Increase in cement is to be found in taxes for road construction, which it has been stated in debate will reach an increase of \$1,000 per mile. Frankly, in a bill drafted to aid agriculture I am wondering what we have to offer for immediate relief to our greatest industry when there is quoted to the farmer increases in costs of his machinery, not claimed to be due to this bill but to be paid for by depressed and unorganized agriculture, among which I note the following offered by Mr. GREENWOOD in this discussion:

Implements	1914	1928
Hand corn sheller.....	\$8.00	\$17.50
Walking cultivator.....	18.00	38.00
Riding cultivator.....	25.00	62.00
1-row lister.....	36.00	89.50
Sulky plow.....	40.00	75.00
3-section harrow.....	18.00	41.00
Corn planter.....	50.00	83.50
Mowing machine.....	45.00	95.00
Self-dump hayrake.....	28.00	55.00
Wagon box.....	16.00	36.00
Farm wagon.....	85.00	150.00
Grain drill.....	85.00	165.00
2-row stalk cutter.....	45.00	110.00
Grain binder.....	150.00	225.00
2-row corn disks.....	38.00	95.00
Walking plow, 14-inch.....	14.00	28.00
Harness, per set.....	46.00	75.00

It has been stated that hoes, rakes, and forks have been given a 30 per cent duty for the first time, under this bill. The factory but not the farmer is thus protected.

#### GRAY-HEADED TARIFF INFANTS

Tariff bills were originally designed to protect infant industries, not to prohibit imports by embargo rates. In olden days our Democratic friends charged Republicans with taxing the consumer from the cradle to the grave under the guise of protection to infant industry.

With this 1930 bill our Democratic friends from Louisiana, Florida, Texas, Massachusetts, New York, and elsewhere are found among its bipartisan supporters on many items, although I believe it can be shown this bill gives unlimited protection to some monopolies that have grown hoary headed by long nursing with high-tariff rates.

As stated, no party cleavage issue exists over this tariff bill, for it represents a general scramble by powerful industries from many States to get out of the tariff grab bag all that these local constituents demand without regard to the old Mason and Dixon line.

#### INEFFICIENCY TO BE CURED BY TARIFF RATES

This pressure I believe the House and Senate committees have tried to withstand, but lobbyists and propagandists have deluged Congress with demands that ignore the interests of consumers or of efficiently conducted industries. Poorly located factories have joined hands with mills whose financial records often disclose stock split-ups and improvident financing, all seeking a tariff embargo to cure their own poor business judgment or mismanagement. To save these industrial failures we are now asked to erect embargo tariff barriers that may enable them to prosper but at the same time permit the great mass of efficiently conducted producers to maintain a monopoly with unconscionable increased profits extorted from the vast army of consumers.

By refusing to permit amendments in the House the committee was subjected to this tremendous outside pressure by special interests. The report of a majority of 15 committee members then became the decision of the House. Log rolling may produce an irresistible force, but even that course is better than to refuse the House permission to vote until after a committee rate binds the conferees and the House to accept increased rates.

#### THE PUNY PIG-IRON WAIF

Let me offer two or three illustrations taken from the bill of tariff results thus obtained. Pig iron enters into every avenue of the steel industry and closely affects the necessities of life. Who can explain to the farmers of my State and other States in financial distress why on April 8 Senate conferees surrendered the Senate rate on pig iron to accept an increased duty of 50 per cent, the House committee rate on which the House had never been allowed to vote?

By a coincidence the press announced on the same day, April 8, that a consolidation of Bethlehem Steel and other companies has taken place so that another billion-dollar steel mendicant is among those urging tariff protection, while President Grace's modest salary of \$1,000,000 annually can now be directly or indirectly increased to double that amount by his company.

On the same day, April 8, by a coincidence, the Republic Steel merger of \$335,000,000 offered larger profits to its stockholders by a new issue of \$60,000,000 of stock, while from the financial pages we find United States Steel common stock, originally a creation of water, reached \$198 per share on its 8,500,000 shares and split-ups, the highest point in its history, although farm-machinery prices to the farmer are more than 100 per cent over pre-war prices, with grain prices in 1929 and 1930 the lowest recorded in many years. This is an example of cause and effect in a bill to help agriculture.

#### NO DANGER FROM IRON OR STEEL IMPORTS

A protective tariff to protect American labor has been advanced as an argument to justify this pig-iron tariff increase, but quoting from page 18 of the United States Department of Commerce, census 1927, on iron and steel, the country is advised that while Pennsylvania, the greatest iron and steel State, produced \$244,501,253 in these products in 1927, the latest census statistics available, that wages amounted to only \$14,018,331 in that year, or for every \$1 in iron and steel products 5.6 cents were paid in wages. To be fair in the discussion, "salaries" aggregated nearly \$2,500,000 in 1927 were also reported, but again referring to President Grace's modest salary alleged to be \$1,000,000 annually, it is apparent that those who fix their own salaries should not be permitted to charge that item to wages paid workmen who receive less than \$6 on every hundred dollars of iron and steel they produce.

Returning to iron and steel companies that have raised \$200,000,000 in watered stock to \$198 per share and that speak of \$1,000,000 steel salaries and billion dollar steel combinations with the same ease with which they ask Congress for a 50 per cent raise on pig-iron tariff against less than 1 per cent of imports.

No connection is claimed in these coincidences beyond saying that giant industrial combinations will reap profits from the \$1.12 per ton tariff rate on pig iron, placed there by this bill to help a few small, weak companies always leading in such demands.

It is significant that the Tariff Commission reports American pig-iron mills produce 45 per cent of the entire world's output of pig iron, and yet comparatively slight imports have created this outcry for a pig-iron embargo.

In 1927, the latest full reports at hand, our mills produced 35,858,233 long tons of pig iron, or about 40 per cent increased output in less than a decade—80 per cent of which is used in steel making. Total pig-iron imports that same year from all countries of the world reached 111,333 tons, or only one-third of 1 per cent of the total supply. To save these great steel

concerns from threatened disaster (?) due to this shadow of three-tenths of 1 per cent imports, the companies may now add 50 per cent to the cost of their pig-iron products over the Fordney tariff rates, whether manufactured for their own use or for public sale. All foreign shipments are now to be barred by a \$1.12 per ton embargo rate.

Imports of pig iron when compared to that offered here for sale in open market were less than 2 per cent, or practically an embargo also in that limited field. If this bill becomes law, no sane man will question that pig iron has been rightly named.

#### ANOTHER PUNT COMBINE WAIF

United States Steel alone owns or controls 20 per cent of the American cement monopoly, according to common report. Cement is used in every permanent road that now gridirons all the States and adds to the heavy taxes of the average farmer, who furnished these roads to the public.

Meeting competition of the world and free imports without duty under existing law the cement industry in this country had built up by 1929 a production of 170,198,000 barrels, an increased output of over 100 per cent in the last 10 years. Few businesses can show that result. Last year only 1,720,273 barrels of cement were imported, or 1 per cent of domestic production.

The cement monopoly that controls the market and charges Federal, State, and municipal governments and every other consumer a fixed price has now brought sufficient pressure on Congress to remove cement from the free list and fix an embargo rate in the House of 32 cents a barrel and in the Senate of 24 cents per barrel on cement imports, imports that only amount to 1 per cent of domestic production.

The Cement Trust, owned in part by United States Steel, now extorts a uniform price from all consumers and under House rates may increase its cost on domestic products practically 24 cents more per barrel, the lowest rate the House could vote, and did vote yesterday, on the entire one hundred and seventy million and odd barrels, thereby increasing the cost of construction and taxes to the already heavily burdened farmers, who pay road taxes, and to consumers generally, because of a practical cement embargo rate fixed by this tariff bill. With no imports the sky is the limit to prices that may be charged.

The Senate Blease amendment offered to soften the blow was stricken out by the House through the aid of Democratic Members from Louisiana to New York as desired by the cement interests in those States.

It proposed to save municipalities from the cement holdup but cement champions have said municipalities should pay as much as any other contractor and they controlled the situation when the vote to strike out occurred.

#### HOUSE WAS NEVER PERMITTED TO VOTE ON CEMENT

It should be remembered the House has never had opportunity to prevent this cement rate or any other rate by amendment or otherwise, and permission to vote on a limitation of either 32 cents or 24 cents per barrel now contained in the bill is legislative mockery when the real issue is 32 cents or 24 cents per barrel against free cement imports.

I have quoted in prior speeches where cement concerns like the North American, Penn Dixie, and others, through stock split-ups or clever 100 per cent watered financing have made large profits under existing law with no tariff protection, but due to split-ups have apparently shown small profits, so that it is evident the cement issue presented is not one of protection to American industry but of extortionate profits to be collected by the cement monopoly from American consumers to aid a few mills located near the seaboard.

No monopoly is more closely formed for price fixing than the Cement Trust that never varies its price but levies its tax on every farmer in the land who contributes to public-highway building and who builds a sidewalk or barn floor. In the Senate it was stated this cement tariff would place an additional burden of \$53,000,000 annually upon the American people. So said Senator McMASTER, a leading Republican. Any supposed exemption for public improvements, if it had been carried, would be prevented from enforcement by a trust that is far above Government and court regulations. It has successfully prevented the House and Senate from voting cement back on the free list. That discloses its powerful influence and is an outstanding item in the tariff bill.

Many heavy increases in the conferees bill over existing law are reported, reaching from 60 per cent to 80 per cent on surgical and dental instruments and like rates on hats, gloves, and other items, are designed to prevent any imports through embargo tariff rates placed in the bill.

Embargoes are a standard of measurement when the sundries schedule on everything from dolls to fishing tackle and aggregating \$312,000,000 in all sundries imported in 1928 finds an average increase in House rates contained in the bill of

about 40 per cent over high protective rates in the 1922 Fordney bill. Consumers must pay increased prices on the items so raised and agreed upon by the conferees, although none of these rates were ever submitted to the House for its consideration.

#### THE SUGAR BABY STILL IN ARMS

The vote about to be had on the sugar schedule has been briefly discussed. Before the bill was reported by the committee, proposals then urged by the sugar lobby were repeatedly discussed by me in the House. These arguments will not be repeated, but at the risk of reiteration I am giving a brief summary of the sugar situation.

The American public of more than 120,000,000 consumes about 12,000,000,000 pounds of sugar yearly or an average of slightly more than 100 pounds per capita. Under existing law it has been estimated these sugar consumers pay \$250,000,000 extra cost because of the present tariff on sugar. One-half of our sugar which is dutiable comes from Cuba; one-third that is free of duty comes from the Philippines, Hawaii, and Porto Rico, and the balance of about one-sixth is from the beet sugar mills of this country. Consumers now pay \$250,000,000 extra costs to "protect" mills that produce only about one-sixth of our sugar. This I have heretofore alluded to.

An insignificant, varying amount of sugar, about 2 per cent of all we use, comes from Louisiana cane. For many years under overly generous tariff aid, reaching about 40 per cent, the beet-sugar interests have remained practically stationary in production, and we are still compelled to import annually for our use five-sixths or 10,000,000,000 pounds of sugar, 4,000,000,000 pounds of which now comes from the Philippines, Hawaii, and Porto Rico, all free island imports. Where our flag controls island governments they enjoy the same privileges as States without reference to State lines.

Free imports doubled within the last six years from 1922-23 to 1928-29. As shown in prior speeches, free island imports have increased in 6 years in round numbers from 2,000,000,000 pounds to 4,000,000,000 pounds, or to practically double the total amount of our domestic beet-sugar production. To aid one-sixth of our sugar output by a tariff rate we are compelled to give added profits to all the free island sugar mills that will thus increase their present large profits and stimulate their production.

At past rate of increase these free island sugar imports, as disclosed, will drive out our domestic beet-sugar interests within one or two decades, and any increased tariff rate will then benefit them alone.

#### HERE IS THE COST OF FEEDING OUR GLUTTONOUS SUGAR INFANT

As stated, Cuba furnishes one-half of our sugar. This we must buy for our own needs, and any tariff rate to aid beet sugar and used to increase the price of sugar is not against Cuban sugar alone, for the American consumer will pay an increased price on the entire 12,000,000,000 pounds consumed, in addition to the \$250,000,000 extra sugar cost he now pays under existing sugar tariff laws.

If the 36 per cent, or even 25 per cent, sugar tariff increase should be finally adopted and become equally effective, sugar duties must jump approximately \$60,000,000 to \$100,000,000 more in order temporarily to aid mills producing only one-sixth of the sugar we consume. We place this burden on the consumers' sugar bowl with full knowledge that one-half of our domestic production, furnished by the Great Western Co., already reaps profits of over 43 per cent annually under existing tariff rates. That is a balance sheet of sugar extortion gone mad.

During President Coolidge's administration, tariff rates on Cuban sugar were recommended at \$1.23 per hundred pounds by a majority of the Tariff Commission as a just rate. This \$1.23 rate by the present House bill has been increased practically 100 per cent, or to \$2.40 per hundred pounds, if the House bill rate is accepted. The increase is also about 36 per cent over \$1.76 per hundred, the present tariff rate. Such increase, or even a proposal of a \$2.20 rate suggested by the motion, will stimulate our free island imports that increased 100 per cent during the past six years and that now reach double the production of our domestic mills. This tariff boost unquestionably hastens the end by stimulating free imports.

#### A PRIZE \$156,000,000 FAT SUGAR BABY

Leaving sugar to write its own future history, we have a chapter of present extortionate sugar profits to consider. Under present tariff rates, previously small free island imports and Mexican women and child labor, the Great Western Sugar Co. has become a producer of practically one-half of all beet sugar manufactured in this country, or 1,000,000,000 in round numbers, of the 2,000,000,000 pounds of beet sugar we produce.

By disgraceful conditions surrounding women and child Mexican labor, according to Government and State labor reports,



aided by favorable climatic and soil advantages this company reports profits and assets of \$156,000,000 taken from American consumers from an original investment of \$15,000,000 during 24 years of production, or over 43 per cent profit annually on the original investment. Exact figures properly tabulated have been repeatedly quoted, and appear in my speech of March 24. I repeat only enough to make clear these enormous profits that are to be increased under the pending bill for a company that produces one-half of all our domestic sugar:

#### EXTORTIONATE PROFITS AND VILE LABOR CONDITIONS

Mr. Speaker, in support of my statement regarding the sugar schedule, I offer a detailed statement of extortionate profits made by the Great Western Sugar Co. under existing tariff rates.

Attention is also invited to labor conditions in this same company's contracts with Mexican beet growers. I submit they will be found nowhere worse in the entire country. And this company asks 36 per cent increase in tariff rates, with proportionately increased profits, under the House bill.

A study of the financial operations of the Great Western Sugar Co. reveals an amazing story of profits and dividends of a company protected by an unduly high tariff.

When the company was organized in January, 1905, its authorized capital stock consisted of \$30,000,000, composed of \$15,000,000 of 7 per cent preferred stock and \$15,000,000 common stock of a par value of \$100 per share.

Of the preferred stock, \$13,630,000 was sold at the time the company was formed in 1905; the balance, \$1,370,000, was not sold until July, 1922. The company has never failed to pay 7 per cent per annum regularly on the preferred stock since its initial dividend in 1905.

No common stock was sold. One hundred and five thousand four hundred and forty shares were issued as a bonus to purchasers of preferred stock at time of organization. In December, 1916, the outstanding common stock was increased from 105,440 shares to 150,000 shares by a stock dividend of 42 per cent. In October, 1922, the par value of the common stock was reduced from \$100 to \$25 per share, and the stock split up on the basis of four new shares for one of the old. In July, 1927, the \$25 par value of the stock was changed to no-par-value stock and again split up on the basis of three shares for one. In other words, the original holder of one share (bonus) common stock would have 1.42 shares in December, 1916, 5 $\frac{1}{2}$  shares in October, 1922, and 17 shares in July, 1927. At around to-day's price (\$40, May 7, 1929) the market value of these 17 shares amounts to \$680.

Total dividends paid per share.....\$577.10

The above dividends are exclusive of the 7 per cent that was paid regularly on the preferred stock.

In the period of 24 years since the company was formed it has paid out on its preferred stock a regular annual dividend of 7 per cent, or a total of.....\$23,521,750

In the same period it has paid out to the holders of its common stock (who received this stock as a bonus and paid nothing for it) dividends of.....60,850,660

Or total dividends of.....84,372,410

The original 105,440 shares common stock, which were given as a bonus to preferred-stock holders, have been converted into 1,800,000 shares by stock dividends and "split ups." This new stock has a market value of \$40 per share (May 7, 1929), or a total value of.....72,000,000

Making a total profit (on an investment of \$15,000,000) of.....156,372,410

Or approximately \$1,042.48 for each \$100 invested, equivalent to an average yearly return and appreciation of \$43.43 for each \$100 invested for the past 24 years since the company was started.

Under the conference rates in the pending bill an increased tariff will occur, even if the \$2 rate is voted. From that fact I ask how any Member acquainted with the facts can justify such increase in sugar tariff rates and Great Western profits?

I am informed the 1929 profits of the Great Western Co. will reach more than in past years, and with the proposed tariff increase, conservatively stated, these profits may reach 50 per cent annually on the original investment. This statement is so illuminating that every farmer and every other sugar consumer in the land should have hung on the kitchen wall, surrounded by a guilt frame, the motto, "God bless Congress for raising the sugar tariff so that the Great Western Sugar Co. may still live." It might be hung next a picture of boots and shoes taken by this bill from the free list and given a tariff rate of from 20 per cent in order to aid the farmer and his family who are alleged to recoup through a duty on hides. That, again, is a heavy sales tax enforced through the medium of the tariff.

Heretofore I have given many pages in the Record of testimony from official reports of miserable labor conditions in the Great Western Co.'s beet fields, as well as of labor conditions in beet fields generally of our domestic mills. They will not be here repeated.

#### HERE IS THE SUGAR TARIFF HOLDUP IN A NUTSHELL

This bill increases the consumer's sugar burden 36 per cent. One company that furnishes half of all our domestic sugar has extorted 43 per cent annually in sugar profits paid by consumers for 24 years. The sugar industry is largely maintained by poorly paid Mexican women, children, and convict labor, and does not protect American labor. The profits are only for stockholders.

The futility of trying to "protect" this industry by a tariff is demonstrated by the Tariff Commission (Tariff Information, 1930, p. 273.) It discloses the rapid substitution of free island sugar imports for the domestic industry.

*Sugar we use and source of supply—Furnished by percentage used during 1919, 1928, and 1929*

	1919	1928	1929	
	<i>Per ct.</i>	<i>Per ct.</i>	<i>Per ct.</i>	
Cuba.....	50.82	47.05	51.88	Dutiable.
United States.....	26.07	20.82	17.47	Loss 33 per
				cent.
Hawaii and Porto Rico.....	19.91	23.01	20.40	Duty free.
Philippines.....	1.78	8.59	10.40	Duty free; gain 600 per
				cent.
Total.....				

In 10 years domestic sugar production lost 33 per cent and lost over 8½ per cent of our total supply because of lower cost production of sugar in the Philippines, Hawaii, and Porto Rico.

In 10 years Philippine sugar production gained 600 per cent and gained nearly 9 per cent of our total supply.

Other sources remained practically stationary.

The heavy tariff is to protect an industry that lost 33 per cent in 10 years and that now furnishes only 17½ per cent of our total supply. A Philippine gain of 600 per cent and free island imports gives the reason.

The higher the tariff the greater the stimulation for all free island imports.

Who does this \$250,000,000 plus \$100,000,000 sugar cost hit hardest?

From the Tariff Commission's Thirteenth Annual Report, 1929, page 131, I quote:

#### Sugar users in the United States

	Tons	Percentage used	Pounds per capita
Household.....	4,136,673	66.5	68.87
Bakery products.....	654,206	10.5	10.84
Beverages.....	340,187	5.5	5.70
Candy.....	512,897	8.2	8.50
Miscellaneous.....	578,841	9.3	9.73
	6,222,804	100.0	103.64

Two-thirds of all sugar consumed is by the household through the family sugar bowl. Ninety per cent consumed is covered by the first four items that affect every consumer.

Who can defend the tariff rate increase in this bill on sugar as disclosed by the above reports? I am making a brief reference later to the refiners' plea for their share of plunder from the consumers' sugar bowl.

The sugar tariff is not to protect American labor, for little American labor is employed. The tariff increase will fatten profits of those who have more than doubled their original investment every three years by child and women labor. It is not a tariff to protect labor or industry but by higher sugar prices to give a short breathing spell to weak factories that were improvidently organized and are now subject to the destroying competition of free island imports.

#### INDUSTRIES THAT DEMAND A CHINESE WALL

Among hundreds of rates increased, some to embargo proportions, I have named several that seemed among the most important. Metals, including aluminum and an endless variety of cooking utensils, earthenware, chemicals, glass, sugar, cotton and woolen clothing, hats, boots and shoes, and a fairly long list from different schedules furnish additional examples.

Embargo tariff rates are based on a new tariff theory, that a Chinese wall is the only means of protection.

Oils that would have laid a heavy tax burden upon American consumers received a defeat by the close vote of 37 to 36 in the Senate, but this vote was against the embargo tariff theory that would give the field exclusively to domestic concerns. A strong oil bloc was not as strong as the sugar bloc in this attempt to control oil rates. That shows the power of Standard Oil and other holders of foreign oil fields when Greek meets Greek.

No expert can accurately compute the additional cost under this bill that will be exacted by profitably conducted industries from the vast army of consumers. It has been loosely estimated at a billion dollar increase annually. No one knows how much, but everybody understands these increased tariff rates will reach hundreds of millions of dollars annually increased prices in the aggregate and about one-quarter of this increase based on population will be paid by farmers, with an equal or greater proportion by wage earners in the mills, mines, and railways that always help foot the bills. Embargo tariff rates bring retaliation and restricted markets for agricultural products. Increased rates on what the farmer buys far outweighs the products he sells.

Let me say that I fully appreciate the efforts of the committee and conferees to obtain a reasonably satisfactory tariff bill. Few people realize the difficulty of constructing a bill that will approach that result, but I find so many causes for complaint by the average constituent that in its present form the bill challenges unanswerable criticism. Not casual criticism easily answered, but complaints that I fear will grow when the bill is put into operation, if it becomes law.

As stated at the outset, some benefits may accrue to certain industrial interests under the bill, but it is a brave or reckless man who will predict agriculture or business generally will be any gainer through its provisions.

#### HOW AN EMBARGO TARIFF BILL WORKS ABROAD

We can not live by ourselves alone. If we build an embargo tariff wall around our country, other nations will retaliate. No country is more dependent upon neighboring countries for the repayment of enormous international debts than our own. Eleven billion dollars war indebtedness due the United States may mean prosperity, or if unpaid by European countries business distress in the near future, to be bridged over by sacrifices that eventually rest heaviest on those least able to stand the burden.

England, Australia, France, Germany, Belgium, Switzerland, Canada, and a score of other governments are watching this effort of a great nation to pass a prohibitive importation bill. Their press is alert to the situation that affects them under this bill. They will greet us so far as practicable by a retaliatory prohibitive export situation, both by legislation to raise like tariff bars against us and also by beating us at our own game by employing American capital to furnish their people with like goods through local production in those countries with modern machinery, using their own cheap labor. They are doing so now through Ford and other industrialists in various parts of Europe and South America.

The wheels of commerce must turn fairly, for governments that have no money to pay can only offer trade to meet their debts. If no trade, then no payments. Can we doubt that result is invited by this tariff embargo bill, and if so can we afford to destroy foreign markets that have been secured by large expenditures and infinite labor in order to furnish an outlet for our own efficiently managed industries?

Our foreign exports increased over 100 per cent from 1913 to 1929, and last year reached \$5,241,000,000. However, our excess of exports decreased about \$200,000,000 from 1928 to 1929. With the passage of this bill we may look for a greater reduction of foreign trade that will affect every avenue of domestic business. That is the logical result of any embargo tariff law intended to prohibit imports. Reduced exports will mean more idle labor for us. This bill carries that threat.

It is unnecessary to dwell on this phase of the case. Personal interests may sway Members to "protect" to the limit their industrial constituents back home, however weak the case, but aside from consumers' rights more than ever before this bill, I believe, will strain commercial relations with other countries and bring retaliation through loss of markets which will more than offset its supposed advantages.

#### A DEBENTURE AMENDMENT TO HELP AGRICULTURE

Apart from embargo tariff rates, other amendments will be considered by the conferees before the final bill comes before us. It is contended that the Senate debenture amendment will give substantial aid to agriculture, that it will give to grain a portion of tariff rates written into the bill, rates that are now a mere gesture. If so, they are well worth considering, because the proposal to give one-half the tariff rates in surplus has been enacted in the Senate by friends of agriculture. No other relief is proposed for the grain farmer and although questioned by high authority other reputable economists support it.

Congress fixed 42 cents as the difference in cost of wheat production here and abroad. That rate is not enforceable because of wheat surplus, and so American grain accepts the Liverpool market price in direct competition with grain grown at 42 cents per bushel less. Without a surplus it is admitted that the 42

cents wheat tariff would become effective in the home market and the American consumer would pay the full difference in cost of grain production as fixed by the tariff.

The United States Tariff Commission has estimated total possible debenture payments on wheat, flour, cotton, corn, hogs, and 50 other items at around \$135,000,000 annually, or less than customs receipts on sugar. That is the outside figure. An experiment to aid several million farmers is held by some students of the subject to be uneconomic and who yet approve an extortionate sugar duty or cement duty or pig-iron duty to aid a few scattering mills. That seems to be the situation presented, but not in the interest of agriculture.

No system can be devised for determining in advance the exact crop to be grown, climatic conditions, or exact exports or imports of wheat needed for the home or world market. Those who have closely organized industries able to maintain their home-market price are opposed to any Government intervention in behalf of agriculture, but until a better or more just plan can be devised for maintaining a semblance of protection, why not give the grain producer at least one-half of the protective-tariff rate under the debenture plan. If unworkable as contended, then those urging its adoption will have to present a different plan to relieve the wheat farmer and others producing a surplus who, although compelled to pay protective-tariff prices for all they consume, are themselves bereft of protection.

#### A SELFISH LEGISLATIVE FOOTBALL

Briefly I have sought to present in a dispassionate way a few objectionable features of the pending bill. It confers special favors on a limited number of industries, many of which are prosperous under existing law. This aid generally is paid for by every consumer. A bipartisan tariff bill is supported in its entirety by many Democrats when a higher tariff is promised to the few sugarcane mills of Louisiana and fruit growers of Florida, for a support not based on the general effect of the bill but depending on inclusion of their particular items.

So much for its political character. Will any reputable authority claim it meets with the President's call to aid agriculture, when it compels agriculture to pay far more than is received through unjust burdens imposed and tends to close the markets of the world to our products because of embargo rates?

#### HOW ABOUT SUGAR REFINERS?

To disclose methods used by sugar-refining companies through their workmen to influence Congress, I quote brief extracts from a 7-page pamphlet put out by the National Sugar Refining Co., that made net profits on its investment in 1928 of 15 per cent. This is not as large as the Great Western Co.'s 43 per cent annual profit, and apparently has excited the jealousy of the National Co., that only made 15 per cent profit that year by soaking the consumers, including over 6,000,000 farmers who help pay the sugar bills. These profits, it is hoped by refiners, will be largely increased under the rates contained in the pending tariff bill. I quote briefly from a letter prepared by the company for its workmen to sign, including among the latter two very estimable women, who lend character to a pathetic plea for more profits than 15 per cent.

WORKING MEN AND WOMEN,  
NATIONAL SUGAR REFINING CO. OF NEW JERSEY,  
New York, N. Y., February 10, 1930.

To the Honorable the Members of the Senate of the United States and of the House of Representatives.

GENTLEMEN: The undersigned, representing the working men and women employed by the National Sugar Refining Co. of New Jersey, respectfully show to your honorable Members:

That they represent and speak for approximately 3,000 working men and women employed by the National Sugar Refining Co. of New Jersey, which company owns and operates three sugar refineries located in two States—New York and New Jersey—with an annual production of about 2,000,000,000 pounds of refined sugar. Under the right which we and our coworkers enjoy by virtue of Amendment I of the Constitution of the United States to petition the Government, we hereby present to your honorable bodies this petition, and pray for a hearing thereon as a matter of simple justice to American labor, and as a test of the sincerity with which the principles of a protective tariff are applied in the actual operation of tariff making.

In three refineries located in and about the city of New York there are paid to the working men and women between five and six million dollars a year. The lowest class of labor receives \$5 a day, and mechanics or skilled labor receive from \$8 to \$11 a day. Taking into account shipping and transportation, it is fair to say that this company is responsible, directly and indirectly, for the distribution of from twelve to fifteen million dollars a year among labor in and about the port of New York.



The employees of this company represent the best type of American labor. Many of them have been with the company for years, some for more than 25 years. Almost without exception they are married, have families, and live adjacent to their place of employment. A very large proportion of them own their own homes. They represent in the highest degree working men and women who are well fed, well clothed, and well housed, citizens, taxpayers, and owners of property who contribute in every way to the welfare and prosperity of the respective communities in which they live.

And we especially call to our aid at this hearing the representatives in your respective bodies from the States of New York, New Jersey, and Pennsylvania. In the House of Representatives these three States have 62 Republican Members. Within these States are the largest sugar refineries in the Nation. If they act in obedience to the principle of protection, upon which they went before the people of their respective congressional districts last year, they can compel by their united action the measure of justice which we seek. In addition they can give by such action the most signal vindication of the sincerity of their party in upholding the doctrine of protection, unequivocally assailed as it is by the situation now existing in the industry which we represent.

Respectfully submitted.

(Signed by several workmen.)

#### HERE IS THE ANSWER TO THE SUGAR COMPANY'S APPEAL

Let every farmer in the country who is striving to make ends meet study this tale of wage suffering wherein the lowest class

of labor in the sugar refinery receives \$5 a day and skilled labor receives from \$8 to \$11 a day, all of which is enjoyed by employees who style themselves as "the best type of American labor."

These generous wages they get under the present tariff law, and yet they call loudly on their Representatives in Congress, 62 in number, from the States of New York, Pennsylvania, and New Jersey to get more for them. Of course, these workmen are not paying for the heavily calendered paper and postage on which the letter is printed. That is paid for by the National Refining Co. that reported net profits in 1928 of more than 15 per cent on its investment. Without recalling stock split ups through profits that go to some of these companies and are covered up by their present reports, I call attention to companies, some of which report their excessive profits.

The Pennsylvania Sugar Co. refinery that also calls on the Pennsylvania Congressmen to keep it out of the poorhouse, in 1928 reports 27 per cent profits, the Henderson Co. nearly 22 per cent profits, and other companies in various amounts. The Great American Sugar Refining Co., with nearly \$64,000,000 investment, earned over 7½ per cent profits, possibly like some others on watered stock, a few years ago plead guilty in the United States Court for the Southern District of New York to defrauding the Government of the United States by false weights and paid a heavy fine. I submit the refiners' statement of 1928 earnings which I happened to have when the \$11-a-day workmen's wail was received. The statement follows:

Sugar refinery statistics, year 1928

1928	Fiscal year ended—	Investment on plant and property (net)	Funded debt	Net worth			
				Preferred stock		Common stock	
				Shares	Amount	Shares	Amount
American Sugar Refining Co.....	Dec. 31, 1928	\$63,839,490.62	\$29,700,000.00	450,000	\$45,000,000.00	450,000	\$45,000,000.00
California & Hawaiian Sugar Refining Co.....	Nov. 30, 1928	11,748,721.00	6,300,000.00			100,015	10,001,500.00
Godchaux Sugars (Inc.).....	June 30, 1929	8,790,250.26	3,698,500.00	30,500	3,050,000.00	{A 57,000 B 70,000	2,850,000.00 1,672,983.11
Imperial Sugar Co.....	Dec. 31, 1928	4,810,699.00	1,370,000.00	25,000	2,500,000.00	25,000	2,500,000.00
W. J. McCahan Sugar & Molasses Co.....				35,000	3,500,000.00	35,000	3,500,000.00
National Sugar Refining Co. <sup>1</sup> .....	Dec. 31, 1928	19,444,628.00	4,615,400.00			600,000	15,000,000.00
Pennsylvania Sugar Co.....		5,128,913.00				50,000	5,000,000.00
Savannah Sugar Refining Co.....	Dec. 31, 1928	2,372,267.00		33,444	3,344,400.00	28,272	234,000.00

1928	Fiscal year ended—	Net worth		Earnings available for dividends	Dividends paid per share		Earnings per share on common stock	Per cent of earnings to net worth	Earnings per share on common stock for 1929
		Surplus	Total		Preferred	Common			
American Sugar Refining Co.....	Dec. 31, 1928	\$19,975,208.22	\$109,975,208.22	\$6,568,611.62	\$7.00	None.	\$7.59	5.97	\$7.77
California & Hawaiian Sugar Refining Co.....	Nov. 30, 1928	8,691,750.00	18,693,250.00	1,077,749.00	None.	None.	10.77	5.77	
Godchaux Sugars (Inc.).....	June 30, 1929		7,572,983.11	1,005,665.00	None.	None.	{A 6.24 B 6.24	13.28	
Imperial Sugar Co.....	Dec. 31, 1928	622,307.00	5,622,307.00	719,745.00	7.00	7.00	21.79	12.80	
W. J. McCahan Sugar & Molasses Co.....									
National Sugar Refining Co. <sup>1</sup> .....	Dec. 31, 1928	7,385,804.00	22,385,804.00	3,372,986.00	2.00	2.00	5.62	15.07	4.92
Pennsylvania Sugar Co.....		5,552,926.00	10,552,926.00	1,360,521.00	10.00	10.00	27.21	12.89	
Savannah Sugar Refining Co.....	Dec. 31, 1928	1,200,316.00	4,778,716.00	571,200.00	7.00	6.00	11.92	11.95	

<sup>1</sup> The National Co. reports 15 per cent net profit and yet asks for more through a letter drawn up by the company but signed by workmen who receive from \$5 to \$11 per day.

Under existing law these companies receive 14.7 cents per hundred pounds differential for refining. Under the pending sugar amendment of \$2.20 per hundred that refining rate is increased to 40 cents, or nearly 200 per cent increase. Need anything be added to this illustration of efforts to grab excessive profits from the American consumer?

#### SUGAR HYPOCRISY

The National Co. has used its workmen as a cloak for this sugar tariff gouge. If the 6,000,000 farmers of the country could listen in to the hypocritical plea of the National Sugar Refining Co. through its \$8 to \$11 a day employees as the company is about to collect from these same farmers and all other consumers of sugar by lining up Congressmen from New Jersey, Pennsylvania, and New York for a higher sugar tariff, then there would be a country-wide explosion from the tillers of the soil. A majority of this farm labor does not average \$2 a day from 12 to 14 hours' daily work on the farm, and the farmer is fortunate if he averages that amount in addition to interest on his investment.

Another picture of labor to be protected, before mentioned, is that given by the hordes of Mexican women and children in the sugar-beet fields of the country, a majority of whom do not

receive and will not receive under any high sugar tariff much more than 10 per cent of the lowest wages paid laborers in the National Sugar Refining Co., as shown by official statistics frequently quoted.

All the profits to be made by this increased sugar tariff will go to swell the 15 per cent annual profits of the National Refining Co. and the 27 per cent profits of the Pennsylvania Refining Co. and the 43 per cent annual profits of the Great Western Sugar Co., that produces one-half of all our domestic beet sugar by employing Indian and Mexican women and children at the lowest wages known to any industry in the country. Additional profits are to be extorted from consumers to go to stockholders under this tariff bill and not to labor.

#### LABOR IN SUGAR-BEET FIELDS

I have quoted many extracts from official documents heretofore to show degrading labor conditions in American beet fields. These appear in previous speeches, based on Federal and State official reports. A brief extract is submitted to show in two or three paragraphs the kind of labor the American sugar consumer is now protecting in the beet fields compared with the \$11 per day paid by refiners who ask for a 200 per cent jump in rates to increase their 15 per cent net profits.

## WHAT LABOR IS PROTECTED BY AN INCREASED SUGAR DUTY?

It has been claimed that increased costs of labor require a rate of 3 cents per pound over the Cuban producers' price. That, then, is the difference claimed in labor standards. Quoting from a brief before the committee, it says:

"In 1926 in Costs of Producing Sugar Beets, Part X, United States Tariff Commission, page 16: '\* \* \* That 30 per cent of the contract labor in the domestic sugar-beet industry is Mexican, 1 per cent Japanese, and 19 per cent other foreign labor.' Page 17 states that '50 per cent of the labor in Michigan, Ohio, Iowa, Kansas, and Minnesota is Mexican; 22 per cent in Nebraska, Colorado, Idaho, Utah, and Montana is Mexican; 42 per cent of the Californian labor is Mexican.'"

The percentage, it is alleged, has increased since 1926. The Department of Labor so finds, and it is further said that witnesses from Colorado before the House committee stated that three-fourths of the farmers employed Mexican labor. Child labor is impressed into the beet-sugar fields wherever permitted.

The United States Department of Labor further reports:

"The earnings and number of Mexicans engaged in tending sugar-beet fields during the season of 1926 covered by this report is as follows:

	Number of workers	Average per person
Michigan.....	6,720	\$143.75
Ohio and Oklahoma.....	3,264	143.70
Minnesota.....	1,506	146.90
North Dakota.....	1,270	152.27
Iowa.....	2,018	147.73
	14,778	145.34

Of the Michigan workers, 3,048, or nearly one-half were shipped from Texas by one company. That statement should be noted. Other Western States not here named, I understand, are included in the total average of 75 to 90 per cent Mexican beet-sugar workers, and a large part of the remaining 10 to 25 per cent of labor is child labor, drawing down the munificent average sum of \$145 annually. Why raise barriers against desirable European immigration when 90 per cent of the beet workers are shipped north from Mexico, with the balance supplied by child labor? This sugar tariff is to "help the farmer." Every farmer who pays an increased cost for his sugar should be proud of Mexican peonage imported from the country of many revolutions.

That is the "labor" this tariff bill would protect with a 40 per cent tariff to consumers of sugar. No more scandalous or degrading competition of child and Mexican labor can be found anywhere in the world. America's high labor standards are debased by sugar-mill operators, who permit such conditions and yet demand that the 120,000,000 consumers, including 30,000,000 farmers with 90,000,000 others, shall pay more annually to advance sugar so as to maintain this public scandal. If the facts recited are measurably true—and they are from the highest authority—then labor conditions in the sugar-beet business are worse than scandalous, for in many States such cruel treatment of children would bring free board at the county jail for the responsible parties.

Hurriedly these tariff matters have been presented, but I believe they have been accurately stated. Every Member must act on his own responsibility and for the interests of his constituency so far as can properly be done. I am not disturbed by the criticisms of others on the bill, but by my own study that has indicated its character, much of which could have been avoided if the House had been permitted to legislate on the bill. Probably no tariff bill has ever before received like criticism from economists and tariff students throughout the country, or by many countries that now threaten retaliatory laws. Needless to say, I would have been glad for many reasons to support its provisions if some net agricultural benefits asked for by the President had been granted. Possibly the bill may be improved by the Senate or conferees. It is their responsibility to make it, if possible, meet promises made when the extra session was called to aid agriculture. No one will discount the size of their task. (On the vote to substitute a 2-cent sugar duty for the 2.20 amendment under discussion the House adopted the 2-cent rate, the lowest offered by the conferees, by a vote of 229 to 160.)

Mr. HAWLEY. Mr. Speaker, I yield three minutes to the gentleman from Nebraska [Mr. SIMMONS].

Mr. SIMMONS. Mr. Speaker, ladies and gentlemen of the House, should the House adopt the proposed rate, it will be the lowest tariff on sugar levied by any country in the world, and sugar is selling in the American market to-day at the cheapest price of any country in the world.

I am interested in the statement of the gentleman from Wisconsin [Mr. FREAR] who claims that he knows all about the sugar industry. He indicates that it is all done by foreign

labor. Sugar beets are raised on American farms, and the labor is performed by American farmers. Beets go into American factories where the labor in producing sugar is American labor, paid American wages. There is but one stage in the manufacture where labor of foreign extraction is in part used, and that is in the handwork in the beet fields. Many Americans do that work. Mr. FREAR carries the idea that in beet culture in the fields the children are crippled physically and mentally by labor out in the open.

If the gentleman from Wisconsin [Mr. FREAR] thinks that labor in the beet fields is detrimental physically, or possibly mentally, to American children, then I offer myself as exhibit No. 1. [Applause and laughter.] I have worked in the beet fields of western Nebraska, and no one will contend that I am stunted, physically, at least.

The best guarantee of a reasonable price for sugar in America, is an American sugar industry. What happened in 1920 when the same people that now claim they plead for the American housewife had control of the sugar output of Cuba and the sugar prices in the United States. They squeezed and squeezed until sugar in Nebraska went from 32 cents to 40 cents a pound, and those are the people who now ask for mercy for the American housewife? What broke the price of sugar in 1920? Not Cuba, not the people who now plead for the Cuban sugar industry. The price of sugar broke in 1920 when the American beet sugar came on the domestic market. [Applause.] If you want to guarantee a reasonable price for sugar, the way to do it is to encourage the domestic industry.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. HAWLEY. Mr. Speaker, I yield three minutes to the gentleman from New Jersey [Mr. FORT].

Mr. FORT. Mr. Speaker, ladies and gentlemen of the House, when the sugar tariff was under discussion here before the bill passed the House, I supported the rate of 2.40 upon the ground that the United States of America some 40 years ago in a tariff bill—which I believe was passed under the Cleveland administration—had induced men to invest their money and enter the industry by the offer of a bounty; and that whenever this or any other Government has induced its citizens to enter an industry by the offer of a bounty or subsidy, an obligation rests upon the Government and upon the citizens to see that industry through a time of trouble such as now faces the sugar industry of America. In that connection, may I call to your attention, incidentally, the fact that this rule of governmental morals has a direct bearing upon a question on which we are to vote to-morrow—the debenture plan.

Apart from that moral obligation, my constituents have no real interest at stake. They raise no sugar—have no interest in sugar. What does this motion mean to them? It means at the outside the difference between a duty of \$2 and one of \$2.20 a hundred pounds—and that means a difference of 60 cents a year to a family of five in its purchases of sugar. We who come from industrial districts in the East, who have enjoyed the benefits of tariff protection for years, whose wages and incomes are largely the result of protective tariffs, have no right, and can not with any pretensions to justice, deny to an industry approaching bankruptcy our contribution of 60 cents a year from the family. [Applause.]

There is nothing in this bill at my request to raise the duty on anything produced in my district. Past tariff legislation has enabled it to prosper. Its industries are in good shape. And I will not stand here to-day—I hope I never shall as a Member of this House—and I do not believe my constituents want me to deny protection to those industries elsewhere which do need it. [Applause.]

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. HAWLEY. Mr. Speaker, I yield three minutes to the gentleman from North Dakota [Mr. BURTNESS].

Mr. BURTNESS. Mr. Speaker and gentlemen of the House, the immediate question involved in this particular amendment, which simply increases the duty on sugar one-fifth of 1 cent per pound—that is, from 2 cents to 2.2 cents—is whether the individual consumer of the United States is willing to pay 12 cents a year for the purpose of assisting agriculture to get to a more balanced system within the United States. Involved in that proposition is also the question of whether or not the 400 men, approximately, who in this House voted for the farm act last year for the purpose of aiding agriculture, and who gave the Farm Board a tremendous problem to solve, are willing now to assist the Farm Board materially in making its job of administering the farm act just that much easier by making it possible to divert some surplus acreages out of some crop and put it into a crop which works ideally under a proper tariff situation and in which there is no surplus problem. This argument



of taking candy away from babies by this rate, and all that sort of tommyrot, is ridiculous. It is on a par with the "pop" argument that the sugar tariff will put the "pop" industry out of business, when a penny takes care of all of the increased duty in a hundred bottles of "pop," and my friend from New York [Mr. LaGuardia] knows as well as anyone that when candy has a tariff of 40 per cent ad valorem, an additional one-fifth of 1 cent on a pound of sugar will not be reflected to the public, to the consumer in any way, but will be absorbed by the industry, and can not be a serious matter for such industry.

But more important than all of this, more important than the fact that it will not cost the consumers anything to speak of, and as the most important thought I want to leave with you is the one that if you increase sugar production in the United States you will stabilize the price of sugar for the future, and the permanent stabilization of the price of sugar is far more important to the consumers than the addition of one-fifth of 1 cent per pound that might be the result for a few months. If you stabilize it by increasing American production, you will have returns not tenfold but a hundredfold in the years to come. I believe you all agree that the safest way to stabilize any price within the United States is to have a reasonable production of that product within our own borders.

Remember also that the interests of agriculture and of industry are reciprocal. Increase the buying power of agriculture and every industry in the United States will be relatively assisted.

Farm organizations are unanimous for this increase. The case is well put in the letter addressed to Mr. Hawley by the American Farm Bureau Federation which reads as follows:

WASHINGTON, D. C., May 1, 1930.

Hon. WILLIS W. HAWLEY,

Chairman Ways and Means Committee,

House of Representatives, Washington, D. C.

MY DEAR CHAIRMAN HAWLEY: It is understood from press reports and otherwise that you at the proper time will introduce an amendment proposing a 2.20 cents per pound rate of duty on sugar from Cuba.

This proposed action on your part deserves to be commended, even though the rate which is contemplated in your amendment is not adequate to give the sugar producers of the Nation that protection which they justly should have. With the difference, however, in the Senate and House bills relative to the rate on sugar, it is reasonable to strike an average which brings us to the 2.20-cent rate. All legislation, as is so often stated, is a matter of compromise, and the compromise at 2.20 cents per pound will secure a rate on sugar of some material assistance to the growers and of no particular burden to the other groups in our Nation.

On September 8, 1929, 12 farm organizations sent a letter to the Members of the Senate in which it was stated: "Without a material increase in the duty (on sugar) above the Fordney-McCumber rate the sugar industry of this country will suffer severe hardships. It has been shown by the growers that rates of duty such as have been asked for by the farm organizations would lead to profitable cane and beet production and would adequately increase the cane and beet acreage." In the list of commodities attached to this letter upon which higher rates of duty were asked by the dozen organizations signatory thereto sugar was included at "not less than House rates."

Sugar presents an ideal tariff problem. Its production is now demonstrated to be practicable in our Nation, both from cane and beets; its present amount of production within our Nation classifies it as an infant industry, compared to the total sugar consumption of our Nation; its extent of production can be greatly magnified before any evidence of surplus appears; and there are citizens, both producers and refiners, willing and ready to put money and energy into the greater production of sugar if only more reasonable protection is given.

The reverse of the above-described tariff problem on sugar will assuredly be true if reasonable protection, such as is to be proposed in your amendment, is not given. It will not be possible to supplant surplus-producing acreages of other crops by the substitution of sugar acreages, even though such sugar production is climatically possible; it will be wholly impossible to increase the percentage of our domestically produced sugar compared to foreign importations; and instead of money and activity going into the sugar business, both of production and refining, they will be withdrawn therefrom. In other words, Congress is at the point now of deciding whether the United States is to render itself more nearly self-sufficing in its sugar supply or is to become more and more dependent upon foreign supplies.

The House rate of 2.40 cents per pound is none too high adequately to promote a domestic-sugar production. The rate of 2.20 cents per pound will be helpful in accomplishing this goal and appears to be a happy medium upon which all who are interested in benefiting agriculture and in securing the production within our own boundaries more nearly of a national supply of sugar, might agree.

Very respectfully,

AMERICAN FARM BUREAU FEDERATION,  
CHESTER H. GRAY, Washington Representative.

Lack of time prevents further argument. Help agriculture get upon a scientific and balanced basis by voting for this duty, and at the same time properly protect the American consumers against the greed of foreign producers in the future.

The SPEAKER. The time of the gentleman from North Dakota has expired. The question is on agreeing to the motion of the gentleman from Georgia to concur in the Senate amendments.

Mr. O'CONNOR of New York. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. O'CONNOR of New York. Is there any parliamentary method by which a vote could be taken for free sugar or for any rate less than 2 cents a pound?

The SPEAKER. The Chair will answer that there is not.

Mr. CRISP. Mr. Speaker, I move the previous question on my motion to concur.

The SPEAKER. The question is on the motion of the gentleman from Georgia for the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Georgia to concur.

The question was taken, and the Speaker announced that the yeas appeared to have it.

Mr. CRISP. Mr. Speaker, I ask for a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 196, yeas 204.

Mr. CRISP. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. As many as favor the motion of the gentleman from Georgia will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 229, yeas 160, answered "present" 1, not voting 38, as follows:

[Roll No. 33]

YEAS—229

Abernethy	Doutrich	Kennedy	Pou
Allen	Dowell	Kerr	Prall
Allgood	Doxey	Kiefner	Pratt, Ruth
Almon	Driver	Kincheloe	Pritchard
Andrew	Edwards	Kinzer	Quayle
Arnold	Elliott	Kopp	Quin
Auf der Heide	Eslick	Korrell	Ragon
Ayres	Esterly	Kvale	Rainey, Henry T.
Bachmann	Fenn	LaGuardia	Ramseyer
Bacon	Fisher	Lambertson	Ramspeck
Bankhead	Fitzgerald	Lampert	Rankin
Bell	Fitzpatrick	Langley	Romburn
Black	Foss	Lanham	Rogers
Blackburn	Frear	Lankford, Ga.	Romjue
Bland	Freeman	Larsen	Rutherford
Bolton	Fuller	Lea	Sabath
Bowman	Fulmer	Lindsay	Sanders, Tex.
Box	Gambrill	Linthicum	Seiberling
Boylan	Garber, Okla.	Lozier	Shaffer, Va.
Brand, Ga.	Garrett	Luce	Short, Mo.
Briggs	Gasque	McClintic, Okla.	Shott, W. Va.
Browne	Gavagan	McClintock, Ohio	Smith, W. Va.
Browning	Gibson	McCormack, Mass.	Somers, N. Y.
Brunner	Gifford	McDuffie	Sparks
Buchanan	Glover	McKeown	Speaks
Burdick	Goldsborough	McLeod	Sprout, Kans.
Busby	Goodwin	McMillan	Stafford
Byrns	Granfield	McReynolds	Stegall
Campbell, Iowa	Greenwood	McSwain	Stevenson
Canfield	Gregory	Maas	Stobbs
Cannon	Griffin	Mansfield	Sullivan, N. Y.
Carley	Guyer	Martin	Summers, Wash.
Cartwright	Hall, Miss.	Mead	Summers, Tex.
Celler	Halsey	Menges	Swanson
Christgau	Hammer	Michaelson	Tarver
Christopherson	Hare	Milligan	Taylor, Tenn.
Clancy	Hartley	Montague	Thatcher
Clark, N. C.	Hastings	Moore, Ky.	Thurston
Cochran, Mo.	Hess	Moore, Va.	Tinkham
Collier	Hill, Ala.	Morehead	Treadway
Collins	Hill, Wash.	Morgan	Underhill
Connery	Hoch	Nelson, Me.	Underwood
Cooper, Tenn.	Howard	Nelson, Mo.	Vinson, Ga.
Corning	Huddleston	Nelson, Wis.	Wainwright
Cox	Hull, Morton D.	Newhall	Walker
Craddock	Hull, Tenn.	Nolan	Warren
Crisp	Hull, Wis.	Norton	Welch, Calif.
Cross	Igoe	O'Connell, N. Y.	White
Crosser	Irwin	O'Connor, N. Y.	Whittington
Cullen	Jeffers	Oldfield	Wigglesworth
Dallinger	Jenkins	Oliver, Ala.	Williams
Davenport	Johnson, Ind.	Oliver, N. Y.	Wingo
Davis	Johnson, Okla.	Palmer	Wolverton, W. Va.
Dickstein	Johnson, S. Dak.	Palmsano	Woodrum
Dominick	Johnson, Tex.	Parks	Wright
Doughton	Jones, Tex.	Patman	
Douglas, Ariz.	Kading	Patterson	
Douglass, Mass.	Kendall, Ky.	Peavey	

NAYS—160

Ackerman	Baird	Brumm	Carter, Wyo.
Adkins	Barbour	Buckbee	Chalmers
Aldrich	Beedy	Burtness	Clague
Andresen	Beers	Butler	Clarke, N. Y.
Arentz	Bohn	Cable	Cochran, Pa.
Aswell	Brand, Ohio	Campbell, Pa.	Cole
Bacharach	Brigham	Carter, Calif.	Colton

Connelly	Hall, Ill.	McLaughlin	Simmons
Cooke	Hall, Ind.	Magrady	Sinclair
Cooper, Ohio	Hall, N. Dak.	Manlove	Sloan
Cooper, Wis.	Hancock	Mapes	Smith, Idaho
Coyle	Hardy	Merritt	Snow
Craile	Haugen	Michener	Spearing
Cramton	Hawley	Miller	Sproul, Ill.
Crowther	Hickey	Montet	Stalker
Culkin	Hoffman	Moore, Ohio	Strong, Pa.
Darrow	Hogg	Mouser	Swick
Dempsey	Holaday	Murphy	Swing
Denison	Hooper	Niedringhaus	Taber
De Priest	Hope	O'Connor, La.	Taylor, Colo.
DeRouen	Hopkins	O'Connor, Okla.	Temple
Drane	Houston, Del.	Owen	Thompson
Dyer	Hudson	Parker	Tilson
Eaton, Colo.	Hull, William E.	Perkins	Timberlake
Eaton, N. J.	Johnson, Nebr.	Pittenger	Turpin
Ellis	Johnson, Wash.	Pratt, Harcourt J.	Vestal
Englebright	Johnson, Mo.	Purnell	Vincent, Mich.
Estep	Jonas, N. C.	Ramey, Frank M.	Wason
Evans, Calif.	Kahn	Ransley	Watres
Evans, Mont.	Kearns	Reece	Watson
Finley	Kelly	Reed, N. Y.	Welsh, Pa.
Fish	Kemp	Reid, Ill.	Whitley
Fort	Ketcham	Robinson	Williamson
Free	Kiess	Sanders, N. Y.	Wilson
French	Knutson	Sandlin	Wolfenden
Garber, Va.	Lankford, Va.	Schafer, Wis.	Wolverton, N. J.
Golder	Leavitt	Schneider	Woodruff
Green	Lehbach	Sears	Wurzbach
Hadley	Letts	Seger	Yon
Hale	McCormick, Ill.	Selvig	Zihlman

#### ANSWERED "PRESENT"—1 Chindblom

#### NOT VOTING—38

Beck	Garner	McFadden	Stone
Bloom	Graham	Mooney	Strong, Kans.
Britten	Hudspeth	O'Connell, R. I.	Sullivan, Pa.
Chase	James	Porter	Tucker
Clark, Md.	Johnson, Ill.	Rowbottom	Whitehead
Curry	Kendall, Pa.	Shreve	Wood
Dickinson	Kunz	Simms	Wyant
Doyle	Kurtz	Sirovich	Yates
Drewry	Leech	Snell	
Dunbar	Ludlow	Stedman	

So the motion of Mr. CRISP was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. McFadden (for) with Mr. Simms (against).  
Mr. Shreve (for) with Mr. Curry (against).  
Mr. Britten (for) with Mr. Clark of Maryland (against).  
Mr. Drewry (for) with Mr. Chase (against).  
Mr. Garner (for) with Mr. Leech (against).  
Mr. Dunbar (for) with Mr. Graham (against).  
Mr. Dickinson (for) with Mr. Wyant (against).  
Mr. Tucker (for) with Mr. Kurtz (against).  
Mr. Ludlow (for) with Mr. Beck (against).  
Mr. Bloom (for) with Mr. Chindblom (against).

Additional general pairs:

Mr. Snell with Mr. O'Connell of Rhode Island.  
Mr. Porter with Mr. Whitehead.  
Mr. Johnson of Illinois with Mr. Doyle.  
Mr. Kendall of Pennsylvania with Mr. Stedman.  
Mr. Strong of Kansas with Mr. Kunz.  
Mr. Wood with Mr. Mooney.  
Mr. James with Mr. Sirovich.  
Mr. Rowbottom with Mr. Hudspeth.  
Mr. Stone with Mr. Sullivan of Pennsylvania.

Mr. CHINDBLOM. Mr. Speaker, I have a pair with the gentleman from New York, Mr. BLOOM, and I ask to withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

On motion of Mr. CRISP, a motion to reconsider the vote by which the motion was agreed to was laid on the table.

#### EXTENSION OF REMARKS—THE BEET-SUGAR INDUSTRY IN THE UNITED STATES

Mr. GARBER of Oklahoma. Mr. Speaker and Members of the House, in a consideration of the merits of a tariff on sugar the first essential is a knowledge of the industry in whose name it is advocated. What is its place in our industrial and economic structure? More particularly, what place does it occupy in our agricultural industry for the relief of which this Congress was called in special session by the President a year ago? Let us measure its significance in actual figures.

In 1928 there were 100,761,000 acres of corn in cultivation in the United States; 45,326,000 acres of cotton; 57,724,000 acres of wheat; 1,912,000 acres of tobacco; 41,733,000 acres of oats; 3,825,000 acres of potatoes; 12,000,000 acres of barley; 1,777,000 acres of beans; 750,000 acres of buckwheat; 965,000 acres of rice; 720,000 acres of timothy seed; 1,388,000 acres of cowpeas; 3,444,000 acres of rye; 2,721,000 acres of flaxseed; 6,497,000 acres of grain sorghum; 57,775,000 acres of tame hay; 13,144,000 acres of wild hay (making a total of 70,919,000 acres devoted to the cultivation of hay); 713,000 acres of clover seed; 1,910,000 acres of soybeans; 1,541,000 acres of velvet beans; 810,000 acres of sweetpotatoes; 138,000 acres of sugarcane; 348,000 acres of sorghum cane; and 646,000 acres of sugar beets.

In other words, for every acre utilized in the production of sugar beets in 1928 there were approximately 156 acres in corn, 70 in cotton, 89 in wheat, 64 in oats, 6 in potatoes, 5 in rye, 10 in grain sorghum, 110 in hay, and so on.

A recent estimate by Dr. Philip G. Wright, a distinguished economist and a student of the sugar situation for many years, shows that the total beet and cane acreage in the continental United States and in its insular possessions is only about one-half of 1 per cent of that devoted to the 19 principal agricultural crops. Continental production of beet sugar is five or six times as great as that of cane sugar, and yet, according to the 1925 census of agriculture, the farms upon which sugar beets were grown in 1924, a year of normal production, constituted but three-fourths of 1 per cent of the total number of farms, or 47,543 of the total of 6,371,640.

There are 640 acres in a square mile. One thousand square miles would be 640,000 acres, or the amount of acreage in sugar beets in 1928—a strip of territory ten times the size of the original dimensions of the District of Columbia.

Estimating that one person can cultivate about 13½ acres of beets, it follows that there are actually about 47,000 people engaged in the cultivation of this product. But 67 per cent of these are only tenants, renting the land—so that only about 16,000 farm owners till their soil for sugar-beet production and less than 25 per cent of the farm holdings of this number are used for beet culture since it is employed in many instances, primarily to prepare the soil for other crops.

How does the proposed increase in the tariff on sugar fit into the plan for farm relief? Based upon the value of their land, the cost of their labor, and their production and the returns which they have received from the 640,000 acres in sugar beets, the growers of this product have received a higher return on their investment and upon their cost of production and the value of their lands than have any other farmers in the United States. And yet, in order to "protect" them, we are asked to increase the cost of living on an essential commodity not only to our entire farm population of something like 30,000,000 people but to an additional 90,000,000 not engaged in agricultural pursuits. And the fallacy of the proposition lies in the fact that the alleged benefits to beet growers in the United States, as a result of such a policy, have been proven to be chimerical.

#### CONDITION OF THE INDUSTRY UNDER PROTECTION—POSSIBILITIES FOR ITS FUTURE DEVELOPMENT

Measured on basis of acreage and number of persons engaged therein, the size of the shadow cast by the industry does not seem warranted by its actual stature. But if its condition to-day is not convincing, what are its possibilities for development?

We have had 20 years of protection for sugar, during which time it has received more consideration than any other agricultural interest. Like the weakening among a family of healthy children, it has been pampered and coddled and fed upon delicacies denied to the others, treatment which has proven about as effective in promoting its sturdy growth as the overindulgence of a sick child in its taste for sweets.

Of the 6,200,000 tons of sugar which we consume annually, about one-third, or an amount double the domestic output, comes from our insular possessions—the Philippines, Porto Rico, and Hawaii—free of duty, and the remaining half of what we consume from Cuba, where a preferential tariff of 20 per cent is in effect. In a commodity five-sixths of which we must necessarily import, the price is controlled by the imported product, in which it is estimated the amount of the tariff is reflected practically 100 per cent.

General Wood, after being in the Philippines some years, stated that the Filipinos were capable of producing 5,000,000 tons of sugar per annum if they had a market for it. Such an assertion on the face of it appears extravagant. If made upon a sound hypothesis, however, it may well be the basis for alarm. The islands, importing their products free of duty into our markets, are in direct competition with our domestic producers. With every increase in the tariff rate on sugar, spelling increased profits in the American markets, they, along with our other insular possessions, are stimulated to still greater production. They receive the benefit of the increased prices due to the tariff with no additional cost to themselves, while our own producers bear their share of the tariff burden imposed upon 120,000,000 consumers. In order to insure the production of one-fifth of our domestic need of this essential commodity we are taxing the American people on a basis of 6,200,000 tons annually—and we now propose to increase that burden! It is the most preposterous, unconscionable travesty on the tariff principle ever promulgated!

In 1903 the Philippines produced 93,000 tons of sugar. In 1928-29 they produced more than six times that amount, or



637,000 tons, yet the total land occupied is only about one-seventh of the total land area in the islands, most of which is cultivable, and in 1926 less than 600,000 acres were devoted to sugar out of a possible 9,000,000 acres available for that purpose if desired. These islands constitute the richest and most-favored group of tropical islands in the world. They have increased their production 330 per cent since 1921 and their possibilities for development in the industry are almost unlimited. Moreover, they have the additional advantages of climate and low labor costs, with which we can not compete.

A comparison of the production in this country and in our insular possessions for the years 1922-23 and 1928-29 shows that the production of sugar in continental United States has remained practically stationary, while the Philippines have increased their production 140 per cent, Hawaii nearly 75 per cent, and Porto Rico more than 80 per cent.

Duty free	Productive ton	
	Years 1922-23	Years 1928-29
Domestic beet .....	911,190	925,000
Louisiana .....	263,478	145,000
Porto Rico .....	338,456	620,000
Philippines .....	263,437	637,000
Hawaii .....	479,456	830,000
Total .....	2,256,017	3,157,000

Consider, in addition, the records of imports from the Philippines since 1921—and can we escape recognition of the fact that we are in effect nourishing a competition that will eventually and inevitably destroy our domestic industry?

Year:	Imports, tons
1921 .....	147,212
1923 .....	212,398
1925 .....	439,977
1927 .....	473,674
1929 .....	637,000

1928-29 are production figures.

#### CONSUMPTION OF SUGAR IN THE UNITED STATES

The average annual sugar consumption in the United States during the period 1922-1928 was 12,158,608,000 pounds. Assuming that the duty, somewhat enhanced, was passed on to the consumer, the Nation's sugar bill was enlarged \$280,000,000 annually during this period. Based upon the consumption of 12,518,488,000 pounds in 1928, the additional sugar bill due to the tariff in that year amounted to \$289,000,000, and in 1929 Oklahoma alone, with a total consumption of 262,008,000 pounds of sugar, shared in the burden to an extent of something like \$5,240,000.

We might view this heavy tax with some equanimity if the profits were actually paid to the producers of sugar beets and cane in this country. But such is not the case. The records for the years 1922-1928 show that of the \$280,000,000 annually contributed by sugar consumers, 48 per cent was paid into the National Treasury as customs receipts. About 5,250,000,000 pounds were produced on an average during those years behind our tariff barrier, and of this the greater part, more than 3,000,000,000 pounds, was produced in Hawaii, Porto Rico, the Virgin Islands, and the Philippines. Assuming then that the tariff was fully effective, the advantage to the insular producers amounted to \$57,000,000 annually, or 20 per cent of the amount contributed by the consumers. More than 15 per cent more was lost through pyramiding of the price on the part of the middlemen who distributed the sugar from the refineries to the consumers. In that period, sugar growers within the United States produced an average of 2,247,000,000 pounds of sugar annually. Had they been actually benefited to the full extent of the tariff, our continental sugar producers would have received \$42,500,000, or hardly more than 15 per cent of the enormous sum paid out by consumers of sugar. But even that small per cent of the costs does not accrue to the benefit of our home producers. The amount realized because of the tariff goes to the Sugar Trust, the most powerful trust in this country to-day—with such indirect benefits to the 16,000 producers as it may apportion in contracts for their sugar beets.

#### THE GREAT WESTERN SUGAR CO.

It is that powerful interest, gorged with the profits it has already enjoyed under the guise of protection to the American beet growers, whose black shadow now darkens the discussion of the tariff on this essential commodity, and which by its loud, insistent demands for a still higher rate to "save the domestic industry" seeks to deafen us to the real issues at stake.

The Great Western Sugar Co. controls more than one-half of the entire sugar-beet production in this country. It was organized in 1905 with an authorized capital of \$15,000,000 of preferred stock and \$15,000,000 of common stock, and took over a number of sugar factories, exchanging for the properties thus taken over its capital stock. In the 25 years since it was formed it has paid on its preferred stock a regular annual dividend of 7 per cent, or a total of \$23,521,750. For the first four years it paid no dividends upon its common stock, but since 1910 it has paid dividends regularly aggregating during that time \$60,850,660, or a total in dividends of \$84,372,410. Including the four years in which no dividends were paid, then, the company's dividends were on an average of \$2,533,444, or about 17 per cent annually on its common stock, which was given as a bonus and cost the holders nothing. It reported profits on common stock of more than 40 per cent for 1928.

For each \$100 invested \$1,042.48 has been received, a yearly return of \$43.43. It has increased its physical properties out of earnings about twenty times, while paying dividends amounting to nearly six times the original investment of \$15,000,000. In 1918, from an average dividend of about \$5 on shares of \$100 for the preceding eight years, they skyrocketed to \$68.28, practically maintaining that figure for the next four years, or until 1922, when they dropped again, this time to \$8.53. The Great Western Sugar Co. was in the infamous first-line trenches of war profiteers. In 1923 it paid only \$5.69 dividend on \$100 shares, but the following year, apparently under the operation of the additional duty imposed by the Fordney-McCumber Act and the reviving conditions of industry generally, they were increased to \$22.76, the next year to \$45.53, and this standard has been consistently maintained.

For the fiscal year ended February, 1927, it had net assets of \$66,517,056; for the year ended February 29, 1928, assets of \$64,077,624; and for the year ended February 28, 1929, \$65,773,324 in assets. In other words, in addition to paying 7 per cent dividends regularly upon its preferred stock and 17 per cent average on its common stock, on a basis of capital stock of \$30,000,000 upon its organization, it has salted away a surplus of \$35,773,324, representing average net earnings of \$4,025,999, or 26.8 per cent on its capitalization, \$15,000,000 of which was pure water!

Even the most ardent supporter of the tariff on sugar will not insist that this powerful trust, producing more than half of all the beet sugar in this country, is in need of additional protection. The tariff now is nearly twice as large as the average of tariff rates on all other dutiable articles coming into the country. It is costing the American people more than \$285,000,000 annually, and if the proposed increases are adopted, they will add millions to the annual contribution of the consumers of the country to further feed the insatiable appetite of the greedy Sugar Trust!

#### LABOR AND THE SUGAR TARIFF

Affording no protection in reality to the domestic producers of sugar beets, adding millions of additional cost to the consumers of the country annually, and millions in additional profits to the swollen accounts of the Sugar Trust, the tariff on sugar is advocated and supported on yet another basis. There are those among its enthusiastic proponents who say, "Oh, but what of labor? We must have a high tariff on sugar for the protection of American labor against the competition of cheap oriental labor employed in the islands' beet fields."

Gentlemen, the tariff on sugar can not be justified on a basis of protection to American labor. Most of the labor employed consists of Mexican peons, women and child labor, the ruthless exploitation of which in a desperate effort to meet the low costs of oriental labor, is among the blackest pages in American history. Labor has spoken through its president, William Green. Listen to what he has to say:

In my opinion, the increase in the sugar schedule is unjustifiable and indefensible. If passed in its present form, it would levy an unfair tax on millions of workers whom I have the honor to represent for the purpose of protecting an industry which, the facts show, employs women, children, and Mexican labor at indecent wages and under intolerable conditions of employment. The great masses of our working people in the United States are unwilling to be taxed for the purpose of protecting an industry which resorts to such uncivilized practices. I register my protest against the proposed increase in the sugar schedule in behalf of the men and women affiliated with the American Federation of Labor.

The gentleman from Colorado [Mr. TAYLOR] has stated in regard to the class of labor employed in the beet fields of the United States:

Our American labor does not do this kind of work. I never in my life have known any member of organized labor going into a sugar-beet field . . . . The American laboring people will not get down on their hands and knees in the dirt and pull weeds and thin these beets and break their backs doing that kind of work.

Labor conditions in the sugar-beet industry are a disgrace to an enlightened civilization. And it is this type of labor—the labor of Mexican peons, of women and children working long hours, housed in small and ill-ventilated quarters—that we are asked to protect with an increased tariff on sugar, the type of labor that has made possible the excessive profits of the Great Western Sugar Co.

There is no question of protection to American labor involved in the tariff on sugar. By the insistence upon its continuance—yes; though it seems almost unthinkable—by our consideration of its increase, we are not only burdening 120,000,000 consumers with increased costs of an essential commodity, we are not only fostering the continuance of labor conditions, which should be outlawed in every State in the Nation; we are not only adding millions of dollars annually in profits to a trust whose greedy tentacles embrace the entire domestic industry, but we are sucking the very lifeblood of that industry by maintaining a system which is, in effect, a bounty to our insular possessions, and which directly stimulates and encourages their ever-increasing competition in American markets.

#### REPLACE THE TARIFF WITH A BOUNTY FOR THE HOME PRODUCERS!

In opposing the tariff on sugar, and especially any move to increase the rates, I do not wish to be understood as disparaging the American sugar industry. On the contrary, I believe our home growers are entitled to every possible consideration; that they are entitled to have mythical advantages replaced by real, genuine aid and assistance. Let us place their interests in the foreground; face them in the light of the indisputable facts at hand and meet the problem and solve it in a way that will be economically sound.

Sugar should be on the free list. Every penny of so-called protection given it in the form of tariff duties defeats its alleged purpose. By the initiation of a system of bounty, similar to that which England has had since 1925, paid to American sugar growers direct—upon condition of their conformity with certain standards of labor—with equally free imports from all countries, including Cuba, we would afford genuine assistance direct to the farmer, at the same time saving millions of dollars annually to the consumers. A bounty of 0.44 cent per pound on the amount of our production, instead of a tax on the entire 6,200,000 tons which we consume annually, would cost us about \$10,600,000.

Among the most objectionable provisions of the tariff bill as it passed the House was the increase in the rate on sugar from 1.76 cents per pound on Cuban sugar and 2.2 cents per pound on world sugar to 2.4 cents and 3 cents, respectively. The Senate Committee on Finance reduced the rates to 2.2 cents per pound on the Cuban product and 2.75 cents on the world product and in the vote in the Senate those proposed rates were further reduced, due to the organized efforts of the coalition, to 2 cents on the Cuban and 2.5 cents on the world product.

In the light of the facts at hand, in consideration of the effect of the tariff on the home industry through 20 years of so-called protection, how can we seriously contemplate an increase in existing rates in the name of aid to the American beet growers? Such a course is the proposed multiplication of a minus quantity—and the result will inevitably and eternally be in the negative, though the multiplier be increased a thousand times!

The substitution of a system of bounty for mythical protection would afford direct benefits to our producers. It offers the shortest path to them to security and profits. The longest way around, viz, by the circuitous byways of the sugar tariff, is undoubtedly the "sweetest way home" for the Sugar Trust, but there is no room on the road for the American producers of sugar beets. It is time the issue was squarely faced and the vagaries of imputed benefits replaced by actual value received! This would be a solution of the problem to the advantage not only of the industry in the United States but to 120,000,000 consumers as well who are required to "pay the bills" and whose interests can not be overlooked.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. TUCKER (at the request of Mr. BLAND), on account of sickness.

To Mr. PORTER (at the request of Mr. DARROW), on account of sickness.

#### ADDRESS OF HON. HAMILTON FISH, JR., OF NEW YORK

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to extend my remarks by printing a speech delivered by my colleague [Mr. Fish] yesterday at New York.

The SPEAKER. The gentleman from New York [Mr. BOYLAN] asks unanimous consent to extend his remarks by printing

a speech delivered by his colleague [Mr. Fish]. Is there objection?

There was no objection.

Mr. BOYLAN. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following address of Representative HAMILTON FISH, JR., at monster Americanization patriotic rally and parade under the auspices of the Department of the State of New York, Veterans of Foreign Wars of the United States, at Union Square, New York City, May 1, 1930, at 12.30 p. m., broadcast over station WOR:

#### IRREPRESSIBLE CONFLICT BETWEEN AMERICANISM AND COMMUNISM

We have met here this afternoon to testify, by our presence, to our faith in American institutions and to our republican form of government. Ours is a government by the consent of the governed, wherein each citizen is sovereign and supreme. The United States of America, although only 150 years of age, is the oldest republic in existence, and represents the ideals and aspirations of countless millions of oppressed people throughout the world.

We Americans believe that it is an inheritance worth preserving. It is only in the morning of its glorious destiny and we propose to see that it is not impaired or endangered by false or vicious propaganda and revolutionary activities of communists, taking their orders from Soviet Russia.

I am speaking here to-day, by request, on the specific subject of "Communism and Its Cure," and my remarks will be strictly confined to the subject and to showing the irrepressible conflict between Americanism and communism.

I care not what course others may take, or what they may say in regard to socialism, pacifism, or liberalism; as for me, I believe in the freedom of speech, guaranteed by the Federal Constitution as one of our most precious rights and inheritances, which should be safeguarded by all public officials. Every American citizen, whether he be socialist or pacifist, has a right to criticize the domestic or foreign policies of the United States in time of peace to his heart's content, but no citizen, and particularly no alien, has the right to advocate the use of force and violence to undermine or overthrow our form of government and substitute a foreign system of government in its place. Nor has any citizen or alien the right to incite riots, sabotage, or revolutionary disorders without being held strictly liable under the law.

We are not here to protest against the soviet form of government in Russia—that is not a matter which concerns the American people. We have no right to interfere with the kind of government set up in any foreign land, and we resent any alien interference with our own.

The United States has very properly not recognized Soviet Russia, nor will it do so as long as the Third International—the creature of Lenin—with its headquarters at Moscow, continues to send its paid revolutionary agents into this country to sow the seeds of class hatred, atheism, and world revolution.

The Communist Party of the United States is merely a section of the Third International, and obeys implicitly the orders and mandates that originate in Moscow. The Russian Communist Party, the Soviet Government, and the Third International are all a part of the same house. The Russian Communist Party is the foundation, the Soviet Government the walls, and the Third International the roof of the same building. They are all three one and inseparable, directed by Stalin and a small political bureau and supported by a government of terror and by terror through force and bayonets. The so-called dictatorship of the proletariat is nothing more than a drastic dictatorship over the proletariat by a handful of self-constituted and self-perpetuating revolutionists. The Third International is the agency for the spread of insidious and diseased propaganda and revolutionary activities, and its paid agents are operating in every one of the larger nations, inciting disturbances, riots, disorders, that often lead to bloodshed.

There can be no possible basis of compromise between our Republican form of government and communism. There is an irrepressible conflict between Americanism and communism. No communist can be a loyal American citizen. He can not give allegiance to the red flag and to the American flag at the same time. Communism seeks to destroy American democracy and all forms of private property.

The great outcry of the communists is directed against what they term our capitalistic government, but what is really meant is the right guaranteed to American citizens by the Constitution to acquire and own private property. It is one of our most cherished rights and the palladium of our liberties. Deprive the American people of the right to own their homes, their lands, and other private property, and you immediately destroy the incentive that has caused the wonderful development in the United States during the last 150 years. The tremendous increase in wealth and population in the United States calls for the enactment of legislation to promote social and industrial justice.

There should be no cause of complaint for the American wage earners, who have helped to build the prosperity of the Nation. Old-age pension laws and adequate retirement provisions should be enacted to care for our needy aged in the declining days of their lives. Child labor laws should be adopted in all the States and a constitutional amendment



passed that no boy or girl should be withdrawn from school and compelled to labor under the age of 16, in mines or factories.

Adequate laws should be passed dealing with the unemployment situation and a vigorous effort made by Congress to help the honest and willing American wage earner to get a job. The unemployed American workman can place no hope in the communists, who would destroy the high standard of living and wages in this country and make slaves of the working class as they have done in Russia, where they receive pitiful wages and live in filthy government-owned rooms and are not even allowed to strike. The American Federation of Labor is the most consistent and bitterest opponent of communism, as it sees through its false propaganda and realizes the menace of its revolutionary activities to the best interests and welfare of American wage earners.

There is no room in the United States for any person affiliated with the Third International. If they do not like the conditions here, let them depart or return to Russia, where they can enjoy the fruits of communism and the low-wage scale and deplorable living conditions and learn to appreciate the difference between the blessings of a government based on justice and humanity and such a one as Soviet Russia, based on terror and the most brutal despotism ever instituted among men.

Communism is not liberalism but its direct opposite. Liberalism advocates the extension of democracy, while communism loathes and abhors the rights and liberties of the American people and demands rigid obedience to an alien dictatorship. Communism represents autocracy rampant and is upheld not by the ballots of the people but by a secret police that arrests secretly, condemns secretly, and executes secretly and thereby maintains a veritable reign of terror.

It is estimated that approximately one-half of the communists in the United States are aliens. If they do not like our form of government, let them depart; let them go back to their native lands. They are merely guests here, and the Federal Government will not tolerate their vicious propaganda or insidious attacks against American institutions.

It is not only the right but the duty of loyal American citizens to protest and demand that the Congress of the United States take appropriate steps to enact legislation to deport all alien agitators or communists affiliated with the Third International. Only 14 communists have been deported in the last four years, due to the fact that the Congress has been asleep and has not provided sufficient authority to the Department of Labor or to the Department of Justice to investigate the revolutionary propaganda and activities of the communists in the United States.

The American people are not blind to the facts; they know by simply reading the newspapers that communism has its revolutionary fangs in all our great industrial cities, waiting the time and occasion to incite disorders, sabotage, and bloodshed.

If the communists are the enemies of our form of government, and they will not deny it, they should be driven out into the open and their seditious plots exposed so that they can be dealt with by the enactment of necessary legislation. The American Congress can not afford to continue any longer to be blind to a situation menacing the institutions and liberties of our people.

There are 11 daily communist newspapers, in 9 different languages, and 12 weekly publications, besides a number of papers and magazines, over which the party has a big influence. The total circulation of the communist press, according to their own statement, is over 170,000. There are dailies and weeklies in Hungarian, Ukrainian, Russian, Yugoslav, Polish, Lithuanian, Italian, and three dailies in the Finnish language. In addition, there are scores of factory papers. The largest is the Ford Worker, issued semi-monthly, with a circulation, claimed by the communists, to be at least 10,000.

Let the communists in the United States cease to seek the overthrow of our Government or depart to countries more congenial to them and their doctrine. We have tolerated them and their criminal activities too long; let them go forth or be deported or confined in some penal colony as far as possible away from the United States, where they can try out their communistic ideas to their heart's content.

A large part of the communists in the United States are aliens and can hardly speak the English language. Why should men or women urging the destruction of our form of government by force and violence, be afforded the protection of our Bill of Rights? Or be permitted to enjoy the benefits of American naturalization? How can an American citizen be loyal if he adheres to the Code of the Third International for World Revolution, and takes an oath to defend the Soviet Union? Why, if the Soviet Union should be defended, don't they go over there and defend it?

The life of one American policeman is more important and worth more than all the communists combined.

In spite of the malicious falsehoods and appeals by communists to class hatred, the spirit of American democracy is marching on and is still the dream and the hope of the oppressed and the struggling masses the world over.

Here in our State, we have recently seen an American boy, born in poverty on the East Side, rise from the sidewalks of New York City to be elected four times by the people as Governor of the Empire State. Another example of our spirit of democracy was the election of Herbert

Hoover, left an orphan without funds in childhood, to the highest office in the gift of the American people.

Let us give thanks that we are American citizens, and live in a country that affords equal opportunity to all. Let us rededicate ourselves to the proposition that a government of the people, by the people, and for the people, shall not perish from the earth because it is the fairest, safest, soundest, and most honorable government devised by the mind of man.

#### REPATRIATION OF AMERICAN WOMEN

Mr. CABLE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. The gentleman from Ohio [Mr. CABLE] asks unanimous consent to extend his own remarks. Is there objection?

There was no objection.

Mr. CABLE. Mr. Speaker, in the report of the Committee on Elections of the William C. Lawson-Ruth Bryan Owen contested-election case, filed March 24, 1930, the majority reaches the conclusion that the contestee now stands as a naturalized, as distinguished from a natural-born, citizen of the United States.

I beg leave to suggest that apparently the committee overlooked the fact that section 4 of the act of September 22, 1922, applies not only to the natural born but also the naturalized citizen of the United States. For example, prior to September 22, 1922, if an alien woman married an American citizen or her alien husband became an American citizen through naturalization, such alien woman, by reason of such marriage or naturalization, likewise became an American citizen, but her status was that of a naturalized as distinguished from a natural-born citizen.

Assume, then, that a naturalized woman, upon the death of her husband or upon her divorce from him, married a citizen of Great Britain prior to September 22, 1922. Under the act of March 2, 1907, she lost her American citizenship and acquired that of her alien husband. Assume that a natural-born woman, as in the case of Mrs. OWEN, likewise married a citizen of Great Britain prior to September 22, 1922. She also lost her American citizenship.

The Committee on Immigration and Naturalization and Congress, in passing the act of September 22, 1922, wished to give to any woman who had thus lost her United States citizenship the same citizenship status upon repatriation that she held prior to her marriage to an alien. Section 4 of the act provides:

That a woman who, before the passage of this act, has lost her United States citizenship by reason of her marriage to an alien eligible for citizenship may be naturalized as provided by section 2 of this act: *Provided*, That no certificate of arrival shall be required to be filed with her petition if during the continuance of the marital status she shall have resided within the United States. After her naturalization she shall have the same citizenship status as if her marriage had taken place after the passage of this act.

This clearly distinguishes between the natural born and the naturalized citizen who married an alien and thereby lost her citizenship, and gave to each the same citizenship status that she had prior to her marriage, namely, to the natural-born woman a natural-born citizenship status and to the naturalized woman a naturalized citizenship status.

The woman who married after the passage of the act of September 22, 1922, did not lose her American citizenship and continued a natural-born citizen, or a naturalized citizen, as the case might be, the act providing:

That a woman citizen of the United States shall not cease to be a citizen of the United States by reason of her marriage after the passage of this act, unless she makes a formal renunciation of her citizenship before a court having jurisdiction over naturalization of aliens.

The right of Congress to obliterate the alien-citizenship status of a natural-born woman who had lost her citizenship by her marriage to an alien is fortified by article 3 of the convention between United States and Great Britain, ratified July 19, 1870, and relating to naturalization. Article 3 provides:

If any such citizen of the United States as aforesaid, naturalized within the dominions of Her Britannic Majesty, should renew his residence in the United States, the United States Government may, on his own application and on such conditions as that Government may think fit to impose, readmit him to the character and privileges of a citizen of the United States, and Great Britain shall not in that case claim him as a British subject on account of his former naturalization.

Congress has seen fit to grant to a woman upon repatriation the same citizenship status she had prior to her marriage to a citizen of Great Britain, natural born or naturalized as the case may be.

That Congress had full power to enact retroactive laws affecting citizenship, so far as the American status is concerned, is not only evidenced by the above treaty but also by the fact that there is no provision in the Constitution of the United States prohibiting such a law.

It therefore appears to me that if the Elections Committee had considered the fact that section 4 of the act of September 22, 1922, was intended to apply to naturalized as well as natural-born citizens, the majority (as did the minority) would have reached the conclusion that Mrs. OWEN does now enjoy the status and privileges of a natural-born citizen such as is defined in section 1 of Article II of the Constitution of the United States.

#### EXTENSION OF REMARKS

Mr. WELCH of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting an address made by the national commander of the American Legion at San Francisco, Calif., on April 18, 1930.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks by inserting in the Record an address by the commander of the American Legion. Is there objection?

Mr. UNDERHILL. Mr. Speaker, I shall have to object.

#### SUPPLEMENTAL REPORT

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent to file a supplemental report on the bill H. R. 11286.

The SPEAKER. The gentleman from Iowa [Mr. HAUGEN] asks unanimous consent to file a supplemental report on the bill H. R. 11286. Is there objection?

There was no objection.

#### SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3249. An act to repeal section 4579 and amend section 4578 of the Revised Statutes of the United States respecting compensation of vessels for transporting seamen.

#### ADJOURNMENT

Mr. HAWLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 40 minutes p. m.) the House adjourned until to-morrow, Saturday, May 3, 1930, at 11 o'clock a. m.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

436. A letter from the Acting Secretary of War, transmitting report from the Chief of Engineers on preliminary examination and survey of Everett Harbor, Wash., and Snohomish River, Wash. (H. Doc. No. 377); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

437. A communication from the President of the United States, transmitting deficiency estimate of appropriation for the Post Office Department for the fiscal year 1925, \$42,54; supplemental estimates for the fiscal year 1930, \$2,735,000; and supplemental estimates for the fiscal year 1931, \$43,220; in all, \$2,778,262.54; also, a draft of proposed legislation affecting an existing appropriation (H. Doc. No. 378); to the Committee on Appropriations and ordered to be printed.

438. A communication from the President of the United States, transmitting supplemental estimate of appropriations for the Treasury Department, indefinite as to time and amount, within certain conditions and limitations, to cover payment of the awards of the war claims arbiter authorized by the settlement of war claims act of 1928 (H. Doc. No. 379); to the Committee on Appropriations and ordered to be printed.

439. A communication from the President of the United States, transmitting supplemental estimate of appropriations for the Department of Agriculture for the fiscal year 1931, amounting to \$100,000 (H. Doc. No. 380); to the Committee on Appropriations and ordered to be printed.

440. A communication from the President of the United States, transmitting supplemental estimate of appropriations for the National Home for Disabled Volunteer Soldiers for the fiscal year ending June 30, 1930, amounting in all to \$773,520 (H. Doc. No. 381); to the Committee on Appropriations and ordered to be printed.

441. A communication from the President of the United States, transmitting supplemental estimate of appropriations for the Department of Justice for the fiscal year 1930 and 1931, amounting to \$1,374,053.33; also draft of proposed legislation affecting an existing appropriation (H. Doc. No. 382); to the Committee on Appropriations and ordered to be printed.

442. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Department of the Interior for the fiscal year 1930, to remain available until expended, amounting to \$10,660,000 (H. Doc. No. 383); to the Committee on Appropriations and ordered to be printed.

443. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the War Department for the fiscal year ending June 30, 1930, amounting to \$695,757 (H. Doc. No. 384); to the Committee on Appropriations and ordered to be printed.

444. A communication from the President of the United States, transmitting deficiency and supplemental estimates of appropriations, and a draft of proposed legislation affecting an existing appropriation, for the Department of Commerce for the fiscal year ending June 30, 1927, amounting to \$594.42, and for the fiscal year ending June 30, 1930, amounting to \$236,500; in all, \$237,094.42 (H. Doc. No. 385); to the Committee on Appropriations and ordered to be printed.

445. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the fiscal year 1931, in the sum of \$250,000, to continue during the fiscal year 1931, the inquiry into the problem of the enforcement of the prohibition laws of the United States, together with enforcement of other laws (H. Doc. No. 386); to the Committee on Appropriations and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. COLTON: Committee on the Public Lands. H. R. 11698. A bill to provide for the addition of certain lands to the Bryce Canyon National Park, Utah, and for other purposes; without amendment (Rept. No. 1356). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLTON: Committee on the Public Lands. H. R. 11699. A bill to add certain lands to the Zion National Park in the State of Utah, and for other purposes; without amendment (Rept. No. 1357). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEA of California: Committee on Interstate and Foreign Commerce. S. 3898. An act granting the consent of Congress to the Mill Four Drainage District, in Lincoln County, Oreg., to construct, maintain, and operate dams and dikes to prevent the flow of waters of Yaquina Bay and River into Nutes Slough, Boones Slough, and sloughs connected therewith; with amendment (Rept. No. 1358). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 11591. A bill to amend the act entitled "An act authorizing the construction of a bridge across the Missouri River opposite to or within the corporate limits of Nebraska City, Nebr.," approved June 4, 1872; without amendment (Rept. No. 1359). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 11680. A bill granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the French Broad River on the Dandridge-Newport Road, in Jefferson County, Tenn.; without amendment (Rept. No. 1360). Referred to the House Calendar.

Mr. COOPER of Ohio: Committee on Interstate and Foreign Commerce. H. R. 11700. A bill to extend the times for commencing and completing the construction of a bridge across the Mahoning River at or near Cedar Street, Youngstown, Ohio; with an amendment (Rept. No. 1361). Referred to the House Calendar.

Mr. PARKER: Committee on Interstate and Foreign Commerce. H. R. 11703. A bill granting the consent of Congress to the city of Olean, N. Y., to construct, maintain, and operate a free highway bridge across the Allegheny River at or near Olean, N. Y.; without amendment (Rept. No. 1362). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 11719. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Carrollton, Ky.; with an amendment (Rept. No. 1363). Referred to the House Calendar.

Mr. CORNING: Committee on Interstate and Foreign Commerce. H. R. 11729. A bill to legalize a pier and wharf at the southerly end of Port Jefferson Harbor, N. Y.; without amendment (Rept. No. 1364). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 11779. A bill granting the consent of Congress to the State of Illinois to construct, maintain, and operate a bridge across the Pecatonica River northwest of Rockford, Ill., in section 5, township 27 north, range 11 east, fourth principal



meridian; without amendment (Rept. No. 1365). Referred to the House Calendar.

Mr. JOHNSON of Indiana: Committee on Interstate and Foreign Commerce. H. R. 11780. A bill granting the consent of Congress to Louisville & Nashville Railroad Co. to construct, maintain, and operate a railroad bridge across the Ohio River at or near Henderson, Ky.; without amendment (Rept. No. 1366). Referred to the House Calendar.

Mr. PARKS: Committee on Interstate and Foreign Commerce. H. R. 11786. A bill granting the consent of Congress to the Arkansas State Highway Commission to construct, maintain, and operate a toll bridge across the Arkansas River, at a point suitable to the interests of navigation, at or near the town of Ozark, Franklin County, Ark.; with amendment (Rept. No. 1367). Referred to the House Calendar.

Mr. HOOPER: Committee on the Library. H. J. Res. 289. A joint resolution providing for the participation of the United States in the celebration of the one hundred and fiftieth anniversary of the siege of Yorktown, Va., and the surrender of Lord Cornwallis on October 19, 1781, and authorizing an appropriation to be used in connection with such celebration, and for other purposes; without amendment (Rept. No. 1368). Referred to the Committee of the Whole House on the state of the Union.

Mr. BEERS: Committee on Printing. H. J. Res. 323. A joint resolution to authorize the printing with illustrations and binding in cloth of 120,000 copies of the Special Report on the Diseases of Cattle; without amendment (Rept. No. 1369). Referred to the Committee of the Whole House on the state of the Union.

Mr. BEERS: Committee on Printing. H. J. Res. 324. A joint resolution to authorize the printing with illustrations and binding in cloth of 62,000 copies of the Special Report on the Diseases of the Horse; without amendment (Rept. No. 1370). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM: Committee on the Judiciary. H. R. 6806. A bill for the appointment of an additional circuit judge for the fifth judicial circuit; without amendment (Rept. No. 1371). Referred to the Committee of the Whole House on the state of the Union.

Mr. VESTAL: Committee on Patents. H. R. 11852. A bill amending the statutes of the United States to provide for copyright registration of designs; with amendment (Rept. No. 1372). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of Washington: Committee on Immigration and Naturalization. H. R. 3394. A bill to amend section 19 of the immigration act of 1917 by providing for the deportation of an alien convicted in violation of the Harrison narcotic law and amendments thereto; without amendment (Rept. No. 1373). Referred to the House Calendar.

#### ADVERSE REPORTS

Under clause 2 of Rule XIII.

Mr. PEAVEY: Committee on War Claims. H. R. 3726. A bill for the relief of New Milford Consolidated School District No. 123, of Illinois; adverse (Rept. No. 1354). Laid on the table.

Mr. PEAVEY: Committee on War Claims. H. R. 4228. A bill for the relief of Rock River Consolidated School District No. 125, of Illinois; adverse (Rept. No. 1355). Laid on the table.

#### CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9253) granting an increase of pension to Melissa E. Bemis; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 11356) granting a pension to Mexico Shelton; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLGOOD: A bill (H. R. 12094) to provide for conveyance of certain lands in the State of Alabama to vocational or other educational uses, rather than to park or game preserve purposes or to dispose of the lands upon condition that they shall be used for educational purposes only; to the Committee on the Public Lands.

By Mr. BACHMANN: A bill (H. R. 12095) to amend section 113 of the Judicial Code as amended; to the Committee on the Judiciary.

By Mr. BRAND of Georgia: A bill (H. R. 12096) to amend section 7 of the Federal reserve act; to the Committee on Banking and Currency.

By Mr. McSWAIN: A bill (H. R. 12097) to authorize the leasing of the Muscle Shoals property upon certain terms and conditions to provide for the national defense and for the regulation of interstate commerce, and for other purposes; to the Committee on Military Affairs.

By Mr. WALKER: A bill (H. R. 12098) to provide for the erection of a suitable monument to memory of the first permanent settlement of the West at Harrodsburg, Ky.; to the Committee on the Library.

By Mr. KNUTSON: A bill (H. R. 12099) to apply the pension laws to the Coast Guard; to the Committee on Pensions.

By Mr. GARBER of Oklahoma: A bill (H. R. 12100) to authorize the Postmaster General to give substitute watchmen, messengers, and laborers in first and second class post offices and substitute laborers in the Railway Mail Service credit for actual time served on a basis of 1 year for each 306 days of 8 hours served as substitute; to the Committee on the Post Office and Post Roads.

By Mr. SHORT of Missouri: A bill (H. R. 12101) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes," approved May 15, 1928; to the Committee on Flood Control.

By Mr. REED of New York: A bill (H. R. 12102) to provide for the construction of a vessel for the Coast Guard for rescue and assistance work on Lake Erie; to the Committee on Interstate and Foreign Commerce.

By Mr. HAWLEY: Joint resolution (H. J. Res. 328) authorizing the immediate appropriation of certain amounts authorized to be appropriated by the settlement of war claims act of 1928; to the Committee on Ways and Means.

By Mr. FULMER: Joint resolution (H. J. Res. 329) to authorize and direct the Secretary of Agriculture to provide additional facilities for the classification of cotton under the United States cotton standards act, and for the dissemination of market news information; to the Committee on Agriculture.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUSBY: A bill (H. R. 12103) granting a pension to Missouri L. Clark; to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 12104) granting a pension to Earl L. Matthews; to the Committee on Pensions.

By Mr. CRAIL: A bill (H. R. 12105) granting a pension to Hiram E. Morrill; to the Committee on Pensions.

By Mr. GRAHAM: A bill (H. R. 12106) for the relief of Michael Francis Washington; to the Committee on Naval Affairs.

By Mr. HICKEY: A bill (H. R. 12107) granting compensation to John M. Whitley for injuries sustained by him while employed under the name of John Madison by the United States Government in the Philippine Islands; to the Committee on Claims.

Also, a bill (H. R. 12108) granting a pension to Lydia A. Grove; to the Committee on Invalid Pensions.

By Mr. HOPKINS: A bill (H. R. 12109) granting an increase of pension to Emily F. Frazey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12110) granting an increase of pension to Amanda J. Lusk; to the Committee on Invalid Pensions.

By Mr. KIESS: A bill (H. R. 12111) granting a pension to Sarah Williams; to the Committee on Invalid Pensions.

By Mr. McSWAIN: A bill (H. R. 12112) for the relief of Frank D. Whitfield; to the Committee on Military Affairs.

By Mr. MANLOVE: A bill (H. R. 12113) granting a pension to William Thomas Dean; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12114) granting a pension to Sue E. Shipman; to the Committee on Invalid Pensions.

By Mr. MOUSER: A bill (H. R. 12115) granting an increase of pension to Susan M. Linton; to the Committee on Invalid Pensions.

By Mr. O'CONNOR of Oklahoma: A bill (H. R. 12116) granting a pension to Anderson Lane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12117) granting a pension to Sarah Reed; to the Committee on Invalid Pensions.

By Mr. HENRY T. RAINEY: A bill (H. R. 12118) granting a pension to Lily V. Durham; to the Committee on Invalid Pensions.

By Mr. ROMJUE: A bill (H. R. 12119) granting a pension to Elizabeth Cook; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 12120) granting a pension to James W. Hussey; to the Committee on Pensions.

By Mr. SUTHERLAND: A bill (H. R. 12121) to provide for a survey of the Salmon River, Alaska, with a view to the prevention and control of its floods; to the Committee on Flood Control.

By Mr. UNDERWOOD: A bill (H. R. 12122) granting an increase of pension to Julia Ann Kerns; to the Committee on Invalid Pensions.

By Mr. WELSH of Pennsylvania: A bill (H. R. 12123) granting a pension to Julia M. Wark; to the Committee on Pensions.

By Mr. WILLIAMSON: A bill (H. R. 12124) granting a pension to Clara M. Schneider; to the Committee on Pensions.

By Mr. WOLVERTON of New Jersey: A bill (H. R. 12125) granting an increase of pension to Eliza Elwell; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 12126) for the relief of Ada B. (Gould) Gollan; to the Committee on Claims.

By Mr. BACHMANN: A bill (H. R. 12127) for the relief of Andrew Boyd Rogers; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7190. By Mr. ANDREW: Petition from town of Essex, Mass., urging Congress to acquire and maintain the John Wise House, so called, and some 100 acres of adjoining land located in the town of Essex, to be known as the John Wise national memorial; to the Committee on the Public Lands.

7191. By Mr. CRAIL: Petition of many citizens of Los Angeles County, Calif., favoring increased pensions for Spanish War veterans; to the Committee on Pensions.

7192. By Mr. DEMPSEY: Petition signed by 835 citizens of the city of Niagara Falls, N. Y., urging the early passage of the Kendall bill (H. R. 6603); to the Committee on the Post Office and Post Roads.

7193. By Mr. GARBER of Oklahoma: Petition of citizens of Dubuque, Iowa, in opposition to rivers and harbors bill as reported out of committee; to the Committee on Rivers and Harbors.

7194. Also, petition of Jewelers' Vigilance Committee (Inc.), New York, N. Y.; to the Committee on Ways and Means.

7195. By Mr. KVALE: Petition of 45 residents of Yellow Medicine County, Minn., urging enactment of House bill 1410; to the Committee on Irrigation and Reclamation.

7196. By Mr. MANLOVE: Petition of Charles W. Morgan and 263 other citizens of Onamia, Minn., urging Congress to speedily pass the Manlove bill (H. R. 8976) for the relief of veterans and widows and minor orphan children of veterans of Indian wars; to the Committee on Pensions.

7197. By Mr. SIMMS: Petition of Spanish War veterans of New Mexico, protesting against the use of the word "inmate" to describe a member of the National Home for Disabled Volunteer Soldiers; to the Committee on Pensions.

7198. By Mr. SUMMERS of Washington: Petition signed by M. D. Tewalt, Ernest Johnson, A. M. Masters, George Walters, and other citizens of Benton County, Wash., in support of legislation proposed to increase the pension of Spanish War veterans and widows of veterans; to the Committee on Pensions.

#### HOUSE OF REPRESENTATIVES

SATURDAY, May 3, 1930

The House met at 11 o'clock a. m.

The Rev. Edmund A. Walsh, S. J., vice president Georgetown University, offered the following prayer:

Almighty and Eternal Father, Creator of all things, we pray continuance of Thy sustaining favor so largely bestowed on them that, under Thee, didst erect on this continent a blessed haven for the oppressed and persecuted of all climes. Grant, we beseech Thee, that neither the teeming bounties of the earth nor the fruits of industry nor the gains of trade may ever obscure the Heavenly Giver thereof nor blind our eyes to the inner light of that enduring truth and eternal purpose to which all creation moves. Save us forever from the depths of spiritual degradation to which men and nations sink who wantonly spurn Thy law and ignore Thy revelation. Power and wealth and length of days are from Thy hand, and to that same tribunal must be rendered back for judgment. Teach us—for Thou alone canst teach us—how liberty within equal law does best emancipate, how justice above force worketh unto a peaceful earth, and how temporal power is best measured by its degree of

service to the common good of human kind. Upon the President of the Republic, as upon all other appointed agents of the people here and wherever gathered in discharge of public trust, we invoke the saving light of Thy countenance and the support of Thy grace. A blessing we beseech of Thee in the name of Him whom Thou didst send, Jesus Christ our Saviour. Amen.

The Journal of the proceedings of yesterday as read and approved.

#### SPEECH OF HON. HARRY G. LESLIE, GOVERNOR OF INDIANA

Mr. PURNELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by printing a speech delivered by Hon. Harry G. Leslie, Governor of the State of Indiana, before the chamber of commerce on Wednesday evening last upon the subject of State Control of Local Expenditures—The Indiana Plan.

The SPEAKER. The gentleman from Indiana asks unanimous consent to extend his remarks by printing an address recently delivered by the Governor of Indiana. Is there objection?

Mr. JONES of Texas. Mr. Speaker, reserving the right to object, and I shall not object, would the gentleman mind putting in the Record the speech delivered by the Secretary of Agriculture on the "wild men" of the Senate?

Mr. PURNELL. I am in favor of it, but I would not want to ask consent to do that.

The SPEAKER. Is there objection?

There was no objection.

Mr. PURNELL. Mr. Speaker, under the leave granted me to extend my remarks in the Record I include a speech delivered by the Hon. Harry G. Leslie, Governor of the State of Indiana, before the midyear dinner of the National Association of State Chambers of Commerce, held at the Washington Hotel in Washington, D. C., on Wednesday evening, April 30.

The speech is as follows:

#### STATE CONTROL OF LOCAL EXPENDITURES—THE INDIANA PLAN

The subject assigned me for discussion involves and is directly connected with the problem of taxation, which is universally recognized as our country's greatest economic problem. I assume I shall not be expected to enter into a discussion of the fundamentals of this greatest science of government, nor to discuss at any considerable length the intricacies involved in its administration. I assume I shall be expected to confine my discussion to the Indiana plan of State control of local expenditures in the few minutes I am to occupy your time.

A very brief account of our experiences in Indiana should be somewhat interesting and would probably reflect the experience of some of the other States represented in this presence.

Some years ago Indiana, as well as some other States, realized the great danger in permitting the cost of our government in many of our subdivisions becoming so excessive in many instances as would largely confiscate the income of our people.

Investigation disclosed there were many taxing units in our State where the grossest sort of mismanagement and extravagance were being practiced and many of our poorer units of government were being subjected to real hardship as a result of unwarranted public expenditures due to exaggerated ideals of appropriate public improvements and excessive costs of administration because of inexperienced and incompetent local officials.

We realized fully the inclination of many taxing officials to expend public funds generously, and further appreciated that every dollar so expended for all public purposes must be met by the citizens going into their pockets privately and meeting the bill through some system of taxation.

We further realized the great difficulty of any division of government, whether it be National, State, or a local subdivision in maintaining the loyal and patriotic support of its subjects if the burden of the cost of their government reached the point of excess and real hardship.

In view of the major portion of the cost of government being local in its character, the great need of some influence to control local expenditures was readily recognized.

Through legislative enactment a law was passed centralizing authority over local expenditures, giving the State tax commission the right and responsibility to pass upon local tax levies to be made as well as proposed local bond issues for public improvements.

The law as first enacted requiring the tax commission to pass upon these questions of local concern was unpopular in that it was considered an interference with and a violation of the rights of local control and local self-government.

It must be agreed in the final analysis that bonds issued by any municipality for public improvements or any other purpose amount simply to a tax levied for a term of years, as the maturities of bonds and the interest thereon must be met through levies made for that purpose each year for the number of years for which the bonds are issued until finally retired.